



MSUKALIGWA LOCAL MUNICIPALITY

MP302

2013-2014

DRAFT ANNUAL BUDGET



Contents

Mayoral Budget Speech	5
1. PURPOSE	6
2. INTRODUCTION	6
3. LEGAL REQUIREMENTS	6
4. APPROPRIATION OF FUNDS FOR EXPENDITURE	6
5. ANNUAL BUDGETS	6
6. CONTENTS OF ANNUAL BUDGETS AND SUPPORTING DOCUMENTS	6
7. FUNDING OF EXPENDITURE	7
8. CAPITAL PROJECTS	7
9. BACKGROUND	7
10. STRATEGIC FOCUS AREAS AND MUNICIPAL PRIORITY ISSUES	8
11. OPERATIONAL PLANS	8
12. GENERALLY RECOGNISED ACCOUNTING PRACTICES (GRAP)	9
13. GENERAL NOTES ON ANNUAL BUDGETS	9
14. ANNUAL OPERATING AND CAPITAL ADJUSTMENT BUDGET METHODOLOGY	10
15. Departments	10
16. Operating Revenue Budget	10
16.1. Grants and Subsidies	11
16.2. Consumer Revenue	11
16.3. Other Revenue	11
17. Operating Expenditure Budget	11
17.4.1. Salaries and Wages – Employee Related Costs	11
17.4.2. General Expenses	12
17.4.3. Repairs and Maintenance	13
17.4.4. Capital Charges	13
17.4.5. Contributions to Capital Outlay	14
17.4.6. Contributions towards Funds	14
18. Capital Budget	14
19. Executive Summary	16
19.2. SUMMARY FOR OPERATION BUDGET FOR 2013/2014	Error! Bookmark not defined.
19.3. EXPLANATORY NOTES ON BUDGET	21
19.3.1. REVENUE COLLECTION ANALYSIS	21
19.4. Income	21
19.4.4. Wages	22
19.4.5. PERSONNEL COSTS	22
19.5. General	23

20.	IDP REVIEW PROGRESS PLAN 2013/2014	25
21.	THE PROCESS PLAN TIMEFRAME	Error! Bookmark not defined.
21.1.	PREPARATION PHASE.....	Error! Bookmark not defined.
22.	THE BUDGET COMPILATION PROCESS.....	28
23.	BUDGET CONSULTATIVE PROGRAMME.....	29
24.	PUBLIC PARTICIPATION	29
25.	PUBLIC PARTICIPATION PROGRAMME	Error! Bookmark not defined.
26.	MSUKALIGWA IDP REPRESENTATIVE FORUM	Error! Bookmark not defined.
27.	SCHEDULE FOR MSUKALIGWA IDP REPRESENTATIVE FORUM	Error! Bookmark not defined.
28.	MSUKALIGWA IDP STEERING COMMITTEE	Error! Bookmark not defined.
29.	SCHEDULE FOR MSUKALIGWA IDP STEERING COMMITTEE.....	Error! Bookmark not defined.
30.	MSUKALIGWA IDP TECHNICAL COMMITTEE	Error! Bookmark not defined.
31.	SCHEDULE FOR MSUKALIGWA IDP TECHNICAL COMMITTEE.....	Error! Bookmark not defined.
32.	DISTRICT CONSULTATIVE MEETINGS	Error! Bookmark not defined.
33.	IDP MANCOM MEETINGS	Error! Bookmark not defined.
34.	MECHANISMS AND PROCEDURES FOR ALIGNMENT	29
35.	COST ESTIMATES FOR THE PLANNING PROCESS	Error! Bookmark not defined.
36.	BINDING LEGISLATION	29
37.	CONCLUSION.....	29
39.	Summary of Community and Stakeholders Input.....	Error! Bookmark not defined.
40.	FINANCIAL RECOVERY PLAN	Error! Bookmark not defined.
41.	Budget Related Policies: Overview and Amendments.....	30

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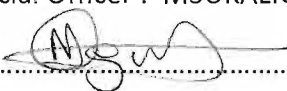
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QUALITY CERTIFICATE

I THAMI BAFANA WELKOM DLAMINI municipal manager of MSUKALIGWA MUNICIPALITY hereby certify that the Draft Budget for 2013/2014 Financial Year have been prepared in accordance with the Municipal Finance Management Act and the regulations made under the Act, and that the annual budget and supporting documents are consistent with the Integrated Development Plan of the municipality.

Print Name : THANIDIWE MAGGY LENGWATE

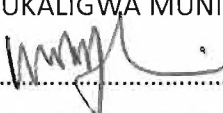
Chief Financial Officer : MSUKALIGWA MUNICIPALITY

Signature: 

Date: 2013-03-28

Print Name: THAMI BAFANA WELKOM DLAMINI

Municipal Manager: MSUKALIGWA MUNICIPALITY

Signature: 

Date: 2013-03-28

RECEIVED
MAY 1 2013
MUNICIPALITY OF MSUKALIGWA
CIVIC CENTRE
C/O KERK & TAUTE STREET
ERMELO
MPUMALANGA PROVINCE
SOUTH AFRICA
2350

Mayoral Budget Speech

The purpose of the speech will be to provide a high-level summary of the budget that draws on the executive summary and highlights key deliverables during the next three years. The speech will address certain fundamental issues, including the eradication of service delivery backlogs, commencement of new programmes and projects.)

The mayor herewith tables the following report:

1. PURPOSE

The purpose of this item is to table before Council the draft MTREF budget for the financial year 2013/2014, including the two out years for both operating and capital expenditure for noting and approval.

2. INTRODUCTION

The strategy and process mapped out in this document will serve as a guideline to all departments for the compilation of operational business plans and budgets and will be followed by the Council for the 2013/2014 budgets.

3. LEGAL REQUIREMENTS

This item has been compiled in accordance with the Local Government: Municipal Finance Management Act (MFMA), Act no 56 of 2003 and National Treasury Circulars set out below.

- MFMA Circular No. 54 - Budget Content and Format 2011/2012 MTREF
- MFMA Circular No 55 - Budget Content and Format 2011/2012 MTREF
- MFMA Circular No. 58 - Budget Content and Format 2013/2014 MTREF
- MFMA Circular No 59- Budget Content and Format 2013/2014 MTREF
- MFMA section 15-27

The relevant prescriptions of the MFMA section 15 – 19 deals with the budget content and 20 to 27 with administrative matters. The relevant sections for discussion of the budget are as follows

4. APPROPRIATION OF FUNDS FOR EXPENDITURE

- 4.1. A municipality may, except where otherwise provided in this Act, incur expenditure only-
 - 4.1.1. in terms of an approved budget; and
 - 4.1.2. within the limits of the amounts appropriated for the different votes in an approved budget.

5. ANNUAL BUDGETS

- 5.1. The council of a municipality must for each financial year approve an annual budget for the municipality before the start of that financial year.
- 5.2. In order for a municipality to comply with subsection (1), the mayor of the municipality must table the annual budget at a council meeting at least 90 days before the start of the budget year.
- 5.3. Subsection (1) does not preclude the appropriation of money for capital expenditure for a period not exceeding three financial years, provided a separate appropriation is made for each of those financial years.

6. CONTENTS OF ANNUAL BUDGETS AND SUPPORTING DOCUMENTS

- 6.1. An annual budget of a municipality must be a schedule in the prescribed format-
- 6.2. setting out realistically anticipated revenue for the budget year from each revenue source;
- 6.3. appropriating expenditure for the budget year under the different votes of the municipality;
- 6.4. setting out indicative revenue per revenue source and projected expenditure by vote for the two financial years following the budget year;
- 6.5. setting out-
 - 6.5.1. estimated revenue and expenditure by vote for the current year; and
 - 6.5.2. actual revenue and expenditure by vote for the financial year preceding the current year; and
 - 6.5.3. a statement containing any other information required by section 215(3) of the Constitution or as may be prescribed.
- 6.6. An annual budget must generally be divided into a capital and an operating budget in accordance with international best practice, as may be prescribed.
- 6.7. When an annual budget is tabled in terms of section 16(2), it must be accompanied by the following documents:
 - 6.7.1. Draft resolutions-
 - 6.7.1.1. approving the budget of the municipality;
 - 6.7.1.2. imposing any municipal tax and setting any municipal tariffs as may be required for the budget year; and
 - 6.7.1.3. approving any other matter that may be prescribed;
 - 6.7.1.4. measurable performance objectives for revenue from each source and for each vote in the budget, taking into account the municipality's integrated development plan;
 - 6.7.1.5. a projection of cash flow for the budget year by revenue source, broken down per month;
 - 6.7.2. any proposed amendments to the municipality's integrated development plan following the annual review of the integrated development plan in terms of section 34 of the Municipal Systems Act;
 - 6.7.3. any proposed amendments to the budget-related policies of the municipality;

- 6.7.4. particulars of the municipality's investments;
- 6.7.5. any prescribed budget information on municipal entities under the sole or shared control of the municipality;
- 6.7.6. particulars of all proposed new municipal entities which the municipality intends to establish or in which the municipality intends to participate;
 - 6.7.6.1. particulars of any proposed service delivery agreements, including material amendments to existing service delivery agreements;
- 6.7.7. particulars of any proposed allocations or grants by the municipality to-
 - 6.7.7.1. other municipalities;
 - 6.7.7.2. any municipal entities and other external mechanisms assisting the municipality in the exercise of its functions or powers.
 - 6.7.7.3. any other organs of state;
 - 6.7.7.4. any organisations or bodies referred to in section 67(1);
- 6.7.8. the proposed cost to the municipality for the budget year of the salary, allowances and benefits of-
 - 6.7.8.1. each political office-bearer of the municipality;
 - 6.7.8.2. councillors of the municipality; and
 - 6.7.8.3. the municipal manager, the chief financial officer, each senior manager of the municipality and any other official of the municipality having a remuneration package greater than or equal to that of a senior manager;
 - 6.7.8.4. the proposed cost for the budget year to a municipal entity under the sole or shared control of the municipality of the salary, allowances and benefits of-
 - 6.7.8.4.1. each member of the entity's board of directors; and
 - 6.7.8.4.2. the chief executive officer and each senior manager of the entity; and
 - 6.7.8.4.3. any other supporting documentation as may be prescribed.

7. FUNDING OF EXPENDITURE

- 7.1. An annual budget may only be funded from:
 - 7.1.1. realistically anticipated revenues to be collected;
 - 7.1.2. cash-backed accumulated funds from previous years' surpluses not committed for other purposes; and
 - 7.1.3. borrowed funds, but only for the capital budget referred to in section 17(2).
- 7.2. Revenue projections in the budget must be realistic, taking into account-
 - 7.2.1. projected revenue for the current year based on collection levels to date; and
 - 7.2.2. actual revenue collected in previous financial years.

8. CAPITAL PROJECTS

- 8.1. A municipality may spend money on a capital project only if-
 - 8.1.1. the money for the project, excluding the cost of feasibility studies conducted by or on behalf of the municipality, has been appropriated in the capital budget referred to in section 17(2);
 - 8.1.2. the project, including the total cost, has been approved by the council;
 - 8.1.3. section 33 has been complied with, to the extent that that section may be applicable to the project; and
 - 8.1.4. the sources of funding have been considered, are available and have not been committed for other purposes.
- 8.2. Before approving a capital project in terms of subsection (1)(b), the council of a municipality must consider-
 - 8.2.1. the projected cost covering all financial years until the project is operational; and
 - 8.2.2. the future operational costs and revenue on the project, including municipal tax and tariff implications.
- 8.3. A municipal council may in terms of subsection (1)(b) approve capital projects below a prescribed value either individually or as part of a consolidated capital programme.

9. BACKGROUND

As budgeting is central to the process of prioritisation for service delivery and the management of functions within the Municipality, it is eminent that Council, in conjunction with management, determines strategic budget objectives.

The challenges facing the municipality is to find the means to continue to deliver services to the community whilst also improving and expanding the current services to meet increasing needs. The solutions to this challenge from a management perspective are vested in:-

- Increasing productivity;
- Re-prioritising developmental projects and services; and
- Increasing revenue through, inter alia, innovative means of funding service delivery.

The Municipality must also maintain its assets to ensure viable and sustainable service delivery. Similarly, it must maintain its financial capacity and resources to enable the delivery of services and honouring of development obligations.

The budget process is a continuous cycle of planning, implementing, monitoring and reporting. The budget process involves activities relating to at least three budget years simultaneously. The process involves simultaneously assessing how the Municipality is managing the closure of the previous financial year budget, the monitoring of the current year budget and the planning for the next three years' budgets, linked with the IDP.

The MFMA, inter alia, provides that the involvement of Councillors in the budgeting and financial management processes will be:-

- Continuous consultation with the community and other stakeholders in the planning of services and reviewing of performance;
- Ensuring that the budget allocates resources in line with the Council's policy objectives and priorities and the needs of the community;
- Ensuring that the budget is realistic and financially sound before approving the budget and any adjustments;
- Evaluating periodic reports on performance of the budget related to developmental and service delivery plans; and
- Formal reporting activities through annual reports and audited financial statements.

By focusing on these critical aspects, Councillors will be able to provide appropriate political leadership and direction to the Municipality's operations, oversee the preparation of budgets and achievement of financial and non-financial objectives expressed in the budget and IDP.

Council further faces the challenges of guiding, combining, integrating, co-ordinating policies and planning of budgeting processes. Through the joint efforts of politicians, ward committees, citizens and officials, budgets should reflect the needs of the community. The goal is also to empower managers with timeous financial information throughout the year and for Council to take preventative action before a crisis arises.

A comprehensive discussion of the budget process can be read in Chapter 4 of the MFMA and National Treasury MFMA Circulars No 10 and 19. A summarised operational flow of the budget process, as per the notes on the Budget Reform Process, is attached hereto as Annexure A

10. STRATEGIC FOCUS AREAS AND MUNICIPAL PRIORITY ISSUES

Municipal budgets must reflect policy priorities determined by Councillors who are elected representatives of the community. It is essential that the Municipality by means of the IDP planning process identify the strategic focus areas and prioritise strategic issues.

The priorities are in addition to the departmental objectives presented during the strategic alignment workshop. It is recommended that the Council reconfirm these strategic municipal priority issues to guide the Municipal Manager and other Directors in compiling their respective operational plans and budgets. Council should also place emphasis on the strategic focus areas and objectives through clear and measurable outputs and derived outcomes that will give clear guidelines to the administration on what has to be achieved. The budget allocations can then be based on these outputs and outcomes.

11. OPERATIONAL PLANS

The absence of detailed operational plans with measurable objectives and outputs results in a budget that simply allocates funds based on previous year's allocations. The preparation of operational plans is subject to Council clearly stating the priorities and targets to be achieved over the next three years to meet community needs. Departments must align their operational plans with the strategic municipal priority issues and identified outcomes and targets of Council.

The strategic municipal priority issues will facilitate the evaluation of existing operations so that Council may determine, if necessary, to continue with all existing functions of a department and to what extent the Municipality desires to continue with same. The functions should also be listed in order of priority to enable Council to consider, where necessary, which functions/activities to increase, scale down and/or abolish.

Detailed operational plans will assist Management with the compilation of the Capital and Operating Budget. After Council has confirmed its strategic municipal priorities issues and determined the outcomes and service targets to be achieved, Directors must prepare and submit operational plans to Council for consideration and approval. These plans should cover at least the following:-

- Measurable objectives;
- Service delivery strategies;
- Key outputs; and

- Performance /service delivery indicators and targets.

Upon approval of the annual budget the Municipal Manager should ensure that Service Delivery and Budget Implementation Plans (SDBIP), in accordance with the MFMA and National Treasury MFMA Circular No 13, be compiled and submitted to the Mayor for approval before commencement of the new financial year. In accordance with the MFMA, these SDBIP's should also form part of the performance agreements of all managers appointed on contract in terms of Section 57 of the Municipal Systems Act (MSA).

12. GENERALLY RECOGNISED ACCOUNTING PRACTICES (GRAP)

The implementation of GRAP played a significant role in the compilation of the Capital and Operating Budgets. The updating of Council's asset register, the financing of assets and the relocation of funds and reserves are some of the key issues that need to be addressed.

13. GENERAL NOTES ON ANNUAL BUDGETS

The annual budget approved by Council must at least contain the following:-

- A balanced operating budget containing expenditure details and realistically anticipated revenue (actual revenue collected matches actual expenditure incurred);
- A balanced budget for capital expenditure that is within realistic funding already secured, together with the projected future financial implications of such capital expenditure;
- Details of borrowing intentions and other liabilities that will increase the Municipality's debt;
- Audited actual results for the previous year; and
- Projected budget outcomes for the current financial year, next year's budget and the outer two years.

In layman's terms, the budget of the Council consists of the operational budget (revenue and expenditure) and the capital budget. The budget must, within the available resources, reflect the Council's IDP and how it will be funded. The MFMA requires Council to approve at least a three-year operating and capital budget.

- Municipalities must aim to ensure that revenue projections are accurate, realistic and collectable.
- The guideline growth limits are only for self-generated revenue sources. It excludes the increased national allocations provided for the purposes of expanding infrastructure and providing basic services to more households.
- Municipalities are requested to ensure that tariff increases remain within the inflation band of between 3 and 6 percent. Any increases in municipal rates and tariffs above the guideline growth limits must be fully motivated and explained to the local and business communities.
- Municipalities are obliged to ensure that their budgets are balanced and all expenditure is fully funded.
- Municipalities must ensure that the IDP is revised and linked to resource allocations in the budget.
- To achieve national objectives, municipalities should also strive to alter the composition of their budgets by spending more on capital and basic services and less on personnel and administration and improve the quality of spending. Municipalities are expected to maintain a clear focus on expanding infrastructure investments to encourage economic growth potential, adding impetus to the national priorities for improved spending in this area.
- On the operating side, it is important to continue to strive to achieve efficiency and productivity gains whilst being mindful of the implication that rapid growth in salaries & allowances will mean for service delivery.
- When preparing the annual budget, the Mayor must take into account the national budget, the relevant provincial budget, the national governments fiscal and macroeconomic policy, the annual Division of Revenue Act and any agreements reached in the Budget Forum. This is in addition to consultation with the community and other stakeholders, including district and all local municipalities within the district.

To ensure that a credible budget is compiled it is important to note the following extract from National Treasury MFMA Circular no 28:-

- "Amongst other things, a credible budget is a budget that:
- Funds only activities consistent with the revised IDP and vice versa ensuring the IDP is realistically achievable given the financial constraints of the municipality;
- Is achievable in terms of agreed service delivery and performance targets;
- Contains revenue and expenditure projections that are consistent with current and past performance and supported by documented evidence of future assumptions;

- Does not jeopardise the financial viability of the municipality (ensures that the financial position is maintained within generally accepted prudential limits and that obligations can be met in the short, medium and long term); and
- Provides managers with appropriate levels of delegation sufficient to meet their financial management responsibilities.

A budget sets out certain service delivery levels and associated financial implications. Therefore the community should realistically expect to receive these promised service delivery levels and understand the associated financial implications. Major under spending due to under collection of revenue or poor planning is a clear example of a budget that is not credible and unrealistic. Furthermore, budgets tabled for consultation at least 90 days prior to the start of the budget year should already be credible and fairly close to the final approved budget."

14. ANNUAL OPERATING AND CAPITAL ADJUSTMENT BUDGET METHODOLOGY

The operational budget is the financial plan, which the Council uses to effect sustainable service delivery within the guidelines of the Council and in terms of affordability. The operational budget also serves as a comprehensive, detailed statement in which the municipality shows how much it intends to spend on the rendering of each service during a particular financial year. The development of the budget will be undertaken using the following divisions:-

15. Departments

Revenue and Expenditure categories; and
Revenue and Expenditure line items.

The purpose of this type of budgeting is to facilitate control over revenue and expenditure.

The incremental budgeting technique is generally accepted as the basis of cost-orientated budgeting. However, it is of utmost importance that Council ensures an in-depth reviewing of its revenue budget and the goals for each category on an annual basis.

It is also important that the level of spending always be limited by the availability of revenue. Therefore, when the expenditure budget is compiled, the ability of the consumers to pay must always be taken into consideration. New operations and expansion of operations on the operating budget should therefore be motivated to Council before inclusion in the operating budget. Such operations must be included in departmental operational plans.

16. Operating Revenue Budget

The Council must determine what the total realistic revenue for the Municipality in the new financial year will be. Using actual levied revenue for the first six months of the current financial year and projecting these figures up to the end of the current financial year will determine such possible revenue. This calculation must further be based on realistic and affordable tariff increases.

It is policy of the Council to avoid major price increases for services as it has a negative impact of removing a portion of the consumers' disposable income. However, to be able to provide services and fulfil its responsibilities, the Municipality will have to obtain additional revenue from tariff increases on the various services provided as well as assessment rates. Revising the tariffs consideration was taken as follows:

When municipalities and municipal entities revise their rates, tariffs and other charges for their 2012/13 budgets and MTREF, they need to take into account the labour (i.e. the wage agreements with unions) other input costs of services provided by the municipality or entity, the need to ensure financial sustainability, local economic conditions and the affordability of services, taking into consideration the municipality's indigent policy. Municipalities should also take into account relevant policy developments in the different sectors (such as the *inclining block tariff* (IBT) proposals from National Energy Regulator of South Africa (NERSA).

Municipalities should continue to explore appropriate ways of structuring the tariffs for utility services to encourage more efficient use of these services and to generate the resources required to fund the maintenance, renewal and expansion of the infrastructure required to provide the services.

National Treasury continues to encourage municipalities to keep increases in rates, tariffs and other charges at levels that reflect an appropriate balance between the increases of poor households, other customers and ensuring the financial sustainability of the municipality. For this reason municipalities must justify in their budget documentation all increases in excess of the 6 per cent upper boundary of the South African Reserve Bank's inflation target.

In determining the level of revenue and possible changes to tariffs, the amount of possible bad debt must also be determined and provided for.

Employee remuneration and related employee cost forms a significant portion of the total operational expenditure budget. It is therefore of utmost importance that the South African Local Government Bargaining Council (SALGBC) agreement on salary increases and its impact on the remuneration budget is taken into account before final tariff increases are determined annually.

The revenue of the Council is derived from several sources. For budgeting purposes the revenue from the various sources is set out below:-

16.1. Grants and Subsidies

This item consists of subsidies for infrastructural projects(water, sanitation and roads) as well as inter-governmental contributions in the form of equitable share contributions, finance manage grant, water operating subsidy and others as may be determined from time-to-time

16.2. Consumer Revenue

Consumer revenue consists of income generated from the sale of and water, electricity, (trading services) and from amounts levied for sewerage and refuse removal (economical services). With reference to each of the services the following should be noted:-

- 16.2.1. Water, electricity, sewerage and refuse removal services, as trading services, should be operated to generate a surplus of at least 10%. In the case of the Municipality the cost of supply of water is very low and as such a more significant surplus would still be in order

16.3. Other Revenue

Departments that provide services, other than consumer services listed above, must at least recover the costs and may generate a surplus. The services include emergency services and fire fighting, etc

17. Operating Expenditure Budget

The expenditure framework must be based on the strategic plans/ IDP, the functional operational plans and the revenue framework.

- 17.1. Where possible, the zero-based budgeting technique is applied to categories of expenditure. This will ensure that an in-depth review of revenue, expenditure and the targets for each category is undertaken during the budget process, resulting in a credible three-year budget, not merely based on an incremental approach. The zero-based type of analysis where all activities are open to review at budget time also allows an opportunity to reallocate resources and avoid continuous growth in budgeted expenditure.

17.2. The following elements have a major impact on the formulation of the expenditure budget:-

- 17.2.1. Employee remuneration and related employee cost projections;
- 17.2.2. Repairs and maintenance;
- 17.2.3. Interest and redemption requirements to service borrowings;
- 17.2.4. Contributions from the operating budget for capital expenditure; and
- 17.2.5. Provision for long-term liabilities and other commitments.

- 17.3. A factor that must be included in the preparation of the operational plans is motivations in cases where ongoing commitments and planned work exist. The Council therefore requires that all activities be continuously justified in terms of their outcomes and whether they still meet the Council's strategic priority issues as well as past performance. In other words, an activity that is not performing may be required to be reduced rather than to receive an increased allocation of funds

- 17.4. The expenditure budget sets out the operating expenses and cash outflows to both internal and external sources. The total expenditure should be reconciled with the cash flow budget. The expenditure budget consists of operating service delivery items and provides inter alia for the following:-

17.4.1. Salaries and Wages – Employee Related Costs

Salaries and wages consist of all remuneration in cash and in kind to employees in return for work performed. This includes allowances and other benefits paid as part of conditions of employment, except social contributions. Social contributions are payments, actual or imputed, made to social insurance schemes to obtain entitlement to social benefits for employees. Employer contributions into a pension fund are an example of a social contribution. Another example is contributions to a medical aid scheme.

It does not include costs of training courses (shown under General Expenses) and costs of contractors. The remuneration of Councillors, including possible full-time Councillors, is also not included in this category as they are not employees of the Municipality. However, the costs relating to contractors who are engaged under the Municipality's basic conditions of service are included – these are essentially employees on fixed term contracts such as all managers appointed on contract in terms of Section 57 of the MSA.

The amount to be budgeted in the capital budget for employee costs must also be reflected and deducted from salaries and wages. It is shown as a contra entry under salaries to avoid double counting operating expenses in Contribution from Operating – Capital Outlays. All capitalised expenditure will be included in the capital budget and therefore any operating expenses such as salaries and wages that are capitalised (thus being part of the capital budget) should be deducted from operating expenses in the operating statement.

17.4.2. General Expenses

This section must include all expenses that will be necessary for the Municipality to carry out operations or activities that are not classified under one of the other expenditure groups. Set out below are some of the common general expenditure items:-

- Councillor Allowances: All the costs associated with the remuneration of Councillors, including their allowances and any other benefits paid, is showed in this section as a separate expense. The additional Councillor allowances as promulgated are budgeted for.
- Bulk Purchases: The expenditure for the bulk purchase of electricity and the departmental usage of municipal services is included under this heading. Additional cost for electricity is provided for. The loss on the sale of electricity should be investigated as the additional cost realised as expected but not the additional income budgeted.
- Working Capital Reserve: This is the value of monies unable to be recovered. Each year an estimate should be made of the expected write-off value to be included in this item of the budget. Actual debt written off is an expense to the municipality. Working capital reserve relates to revenue, which is levied, but not paid and cannot be recovered through legal avenues or where costs of recovery might greatly exceed the revenue recoverable. The quantum of this item would relate directly to the revenue collection ratio. For example, if the municipality expects that it will only be able to collect 90 percent of all revenue raised it will include an amount under this item equal to 10 percent of the total revenue raised.
- Collection Costs: This item reflects all costs directly incurred in the recovery of revenue that will not be paid in accordance with an invoice or consumer account and in terms of Council Policies. These costs include commissions and fees charged by debt collection agencies and all costs for legal actions taken to recover debts not debited to the customer. Adequate provision is made as part of the Bad Debt provision.
- Depreciation (GRAP): The full implementation of GRAP is dependent on the identification and recording of assets and their current values. In terms of GRAP, depreciation will be charged as an expense on all fixed assets. As this is not a cash transaction, it has the effect of creating a provision/reserve by reducing the amount in the surplus available for distribution. Accumulated depreciation indicates how much of the assets have been expensed. Adequate provision for depreciation reserve exists. No adjustment is required.
- Contracted Services: This expenditure relates to payments for services provided by external entities. These services may also be referred to as "outsourced services". Entities rendering these services are not Council owned entities or municipal entities but are independent businesses. The two main types are set out below.
 - Services provided to external parties – where the Municipality contracts out the rendering of services such as refuse removal or electricity supply; and
 - Services provided for the internal functioning of the Council, i.e. corporate services such as internal audit or information technology.

The services may be wholly or partly provided by the external entity. An example of shared service providers could be where an in-house section collects household refuse while a contractor services residential and

business customers. Another example could be where a refuse collection service involves an in-house administrative section with a contractor carrying out actual collections.

The Municipal Manager and Chief Financial Officer should ensure that service level agreements are drafted and monthly reports be obtained for all contracted services. The level of service and value for money should be constantly reviewed.

- Deficit on sale of assets (GRAP): In terms of GRAP, the sale of assets will generate either a surplus or a deficit. If the proceeds received on disposal of an asset are greater than the book value of the asset, then a surplus is realised. If the proceeds received are less than the book value, then a deficit will be realised:-
 - A surplus on a sale will be recorded as income/revenue.
 - A deficit on a sale will be recorded as an expense.

The performance of the financial instruments remains constant and no additional loss is expected. The sale of redundant equipment and stock can provide additional income. It is critical that the Municipality dispose of the redundant and obsolete stock and equipment for GRAP and compliance issues.

17.4.3. Repairs and Maintenance

This item must include all labour and material costs for the repair and maintenance of the assets of the Municipality. It must include both contracted services and services performed by employees. The total cost of asset maintenance is disclosed in this item to enable an evaluation of asset performance.

It is critical that the asset maintenance plans for all assets with the value of R 250 000 and above be submitted by the departments as part of the IDP and budget process for 2013/2014

Expenditure that maintains an asset in good working order, to ensure asset performance and the useful life originally expected, is not capital and must be shown under this item. "Total Asset Management" requires that a schedule of programmed maintenance should be developed for all assets of the municipality. This ensures that the asset maintains optimal performance and the municipality obtains maximum flow of economic benefits from employment of the asset over its optimum life.

The deferral of maintenance expenditure on assets has the effect of increasing future maintenance costs and also has potential for reducing the economic life of the asset and hence the flow of economic benefits. Deferrals should be indicated clearly in the operational plans.

In determining the estimates under this section, the following should be provided for:-

- New assets to be produced/acquired in the course of the budget year and which would require repairs.

Capital assets to be sold or disposed of in the course of the year and which would not require further maintenance.

17.4.4. Capital Charges

This section must include the following:-

- Interest on internal loans paid by a functional unit or entity to the financing arm of the Municipality for loans that have been obtained for the capital employed in that function of the organisation. The expenditure for internal interest should be offset by the total income.
- Redemption on internal loans in respect of amounts transferred in redemption of internal loans. The expenditure for internal redemption should be offset by the total income.
- Interest expenses on external borrowings include the interest component of external loan repayments. It also includes borrowings from government agencies, i.e. Development Bank loans.
- Redemption payments on external borrowings include the redemption of the principle component of external loans raised by the Municipality.
- With the implementation of GRAP, redemption payments (or loan principle payments) are a repayment of capital. For annuity loans, loan repayments need to be split into interest and principle components. The total cash outflow will be recorded in the cash flow statement. The interest component will still be shown as an expense while the principle component will be reflected in the balance sheet as a reduction in borrowings.

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CORPORATE SERVICES DEPARTMENT

Certified Council Resolution

Council at its 7th Ordinary Council Meeting held on the 28 March 2013 under:

A16


LM 344/03/2013-

REPORT ON THE DRAFT BUDGET FOR 2013/2014 FINANCIAL YEAR

RESOLVED AS FOLLOWS:

1. That the report of the Executive Mayor regarding the draft budget for the 2013/2014 financial year and indicative for the two projected outer years 2013/2014-2014/2016 **NOTED** by Council,
2. That Council **APPROVED** the draft annual budget for the financial year 2012/13 and indicative for the two projected outer years 2013/2014 and 2014/2016 as set-out in the following schedule A1,
3. That the operating expenditure by GFS classification reflected in schedule A2 **APPROVED** by Council,
4. That the operating revenue by GFS classification reflected in schedule A2 **APPROVED** by Council,
5. That Council **APPROVED** the operating revenue by vote as reflected in schedule A3,
6. That Council **APPROVED** the operating expenditure by vote as reflected in schedule A3,
7. That Council **APPROVED** the operating revenue by source reflected in schedule A4,
8. That council **APPROVED** the Capital revenue by source reflected in schedule A4,
9. That Council **APPROVED** the Capital expenditure by GFS classification reflected in schedule A5,
10. That the budget financial position as reflected in schedule A6 **APPROVED** by Council,
11. That the budgeted cash flows as reflected in schedule A7 **APPROVED** by Council,
12. That Council **APPROVED** cash backed reserves/accumulated surplus reconciliation as reflected in schedule A8,
13. That the asset management as reflected in schedule A9 **APPROVED** by Council,
14. That Council **APPROVED** the basic service delivery measurement as reflected in schedule A10,
15. That the draft tariffs for 2013/2014 **APPROVED** for consultation as follows:
16. Tariffs adjustments:
 - (i) Assessment rates will be adjusted taking the new valuations into consideration with 5.6% increase
 - (ii) Electricity tariffs with 8% from 1 July 2013 based on the 8% from Eskom application
 - (iii) Water tariffs with 10% from 1 July 2013
 - (iv) Sewerage tariffs with 10% from 1 July 2013
 - (v) Refuse Tariffs with 10% from 1 July 2013
 - (vi) Sundry income 10%.
17. That Council **APPROVED** the property rates and service charges adjustment,
18. That Council **NOTED** that the National Energy Regulator of South Africa (NERSA) still have **TO APPROVE** the tariffs of Council as from 1 July 2013,

19. That Council **APPROVED** the overdraft facility with Standard Bank to the amount of R6, 000,000.00 as well as the credit facility for purchase of vehicles to the amount of R2, 000,000.00,
20. That Council **APPROVED** a loan facility of R5, 000,000 for purpose of revenue enhancement,
21. That Council **APPROVED** all any proposed amendments to the budget-related policies,
22. That the draft MTREF budget **BE SUBMITTED** to District Council, National and Provincial Treasury for consulting in terms of section 23 of the MFMA,
23. That Council **NOTED** that the tariffs for rental facilities and by-laws will BE **REVIEWED** before the finalization of the draft budget,
24. That Council **APPROVED** the recommendations of the Executive Mayor.



Certified as true resolution
Director: Corporate Services
Mr. N.L. Maimela

2013-04-02

Date

Municipal bonds will be treated similarly with interest reflected as an expense and any repayment shown as a reduction in debt and a cash outflow.

17.4.5. Contributions to Capital Outlay

This item normally shows the value of appropriations transferred out of the Operating Sections into the Capital Sections for use in capital expenditure. The details of the application of the funds will be in the capital budget and supporting documents. All capital expenditure, with a value of more than R1 but less than R1 000, should be financed from operating income (contribution to capital outlay) for the 2013/2014 financial period.

The classification of expenditure as "capital" should be based on the definitions contained in guidelines on the budget process. Expenditure is only capitalised if it is for the purposes of acquiring a new or replacement asset, changes the nature of an asset, extends the life of an asset, or increases the performance potential of the asset.

Expenditure that maintains the asset in good working order at the level of performance or useful life originally expected is not capital and is shown under the appropriate section for "Repairs and Maintenance".

In terms of GRAP, capital expenditure (depreciation, impairment, residual value changes, revaluation etc.) will be adjusted constantly to the value and effect of the asset cost in the statement of financial performance and value recorded in the statement of financial position. Currently, all capital expenditure with a value of more than R1 000 is recorded in the asset register at cost less depreciation only.

17.4.6. Contributions towards Funds

This expenditure group must contain all expenditure items involved in the instances where the Council makes contributions from operating income to certain funds, reserves or provisions. Only contributions determined by legislation and/or Council policy should be included in this section. Currently, the Council contributes towards the following funds:-

- Provision for Bad Debts;
- Bursary Fund;

Leave Reserve Fund; and

18. Capital Budget

The driving force behind the implementation of the Council's strategies is the IDP. In terms of the Local Government: Municipal Systems Amendment Act, 2003, Act No. 44 of 2003, the IDP process has to inform the municipal budget and the preparation of the capital budget is based on the capital development priorities approved in the IDP. The capital budget consists of the non-operational needs of the community. The procurement of assets, with a life span of more than one year can be classified as capital expenditure

A Budget Related Resolutions

19. Executive Summary

The 2013/2014 budget preparation and IDP review process were conducted mainly in line with the legislative and regulatory frameworks prescribed by the Municipal Finance Management Act (MFMA), Municipal Systems Act (MSA) and National Treasury Guidelines. The format and contents of this budget document are in accordance with the guidelines contained in *MFMA Circular 28 and 51*, based on the new budget format of 1 April 2009.

The draft budget will be tabled in Council before 1 April 2012 after which it will be followed by an extensive **community consultation** and public participation process. The programme that was followed with the various public meetings held is included on page xx of the budget document. A number of key issues were raised during these public meetings and the Executive Mayor will formally respond to these issues as required by the MFMA.

The **strategic alignment** between national, provincial and district service delivery priorities was also a critical factor during the IDP review and budget preparation process. Alignment between Gert Sibande District Municipality, the Mpumalanga Provincial Government budget and budget guidelines 2013-2015 and the Msukaligwa Local Municipality were important considerations and inputs during the process.

The medium-term expenditure framework (MTEF) uses the National Development Plan (NDP) as a point of departure. The NDP sets out an integrated strategy for accelerating growth, eliminating poverty and reducing inequality by 2030. The NDP supported by the New Growth Path and other programmes provides a platform to look beyond the current constraints to the transformation imperatives over the next 20 to 30 years. The NDP emphasises the need to lower the cost of living for households and reduce the cost of doing business for small and emerging enterprise. These objectives need to take into account fiscal sustainability, which ensures that progress will not be interrupted or reversed. This will also entail shifting the composition of spending from consumption towards capital investment. Government already funds many of the programmes highlighted in the NDP. Road and rail infrastructure, for example, receive significant support over the three-year spending period and there will be major investments in public transport and human settlements. The economic competitiveness and support package will receive R14.9 billion over the spending period to give effect to various growth policies, including the New Growth Path and the Industrial Policy Action Plan. The Minister of Finance stated in his 2013 Budget Speech:

"The NDP reminds us that South Africa needs to invest in a strong network of economic infrastructure designed to support the country's medium- and long-term economic and social objectives"

In terms of **free and subsidised services** to indigents, the municipality has increased certain benefits for 2013/2014 in terms of the approved indigent policy. The following are the main benefits offered to registered indigents for which a threshold of a monthly household income of **R2550.00** has been set.

- Free electricity of 50kWh per household
- **6 kiloliters of free basic water**
- **Free Basic Sanitation**
- Free Basic Refuse removal

19.1. Tariff increases

Due to financial challenges the municipality could maintain **tariff increases** within the growth limits set by National Treasury since the municipality must provide services in a sustainable manner. The average tariff increases on electricity is 8%, assessment rates is 5.6% and all other tariffs have increased with an average of 10%.

Further information on proposed tariff increases, including sundry tariffs, are included on **Annexure C**

The majority of the **budget-related policies**, such as the inventory, investment of surplus funds and budget policies were developed, whilst indigent and tariff policies remain unchanged. However, the following policies were revised: credit control and debt collection policy, supply chain management policy, asset management policy, petty policy, property rates, and cash and investment are recommended to council for approval. The revised policy is attached as **Annexure D**

In terms of the municipality's **financial strategy and position** own revenue constitute close to 76% of the total operating revenue of the municipality, whilst government grants and subsidies contribute on approximately 24% to total revenue. A summary of the operating and capital budget proposals over the medium-term, in terms of the attached budget schedules, is provided in the table

DRAFT BUDGET SUMMARY 2013/14

OPERATIONAL BUDGET

DESCRIPTION	Budget 12/13	DRAFT 2013/2014	DRAFT 2014/2015	DRAFT 2015/2016	VARIANCE	EXPENDITURE	DIFF
EMPLOYEE SALARIES & ALLOWANCES	98 565 448	115 695 563	122 938 400	129 855 826	17 130 115	17 130 115	17.38
SOCIAL CONTRIBUTIONS	23 877 864	27 568 114	29 056 395	30 536 764	3 690 250	3 690 250	15.45
EXCO COUNCILLORS	9 681 625	10 648 567	11 223 591	11 829 663	966 942	966 942	9.99
	132 124 937	153 912 244	163 218 386	172 222 253	21 787 307	21 787 307	16.49
GENERAL EXPENSES IN DEPARTMENTS	41 049 305	52 940 399	55 798 995	58 799 342	11 891 094	11 891 094	28.97
GENERAL EXPENSES FINANCIAL SERVICE	10 730 792	11 191 833	11 796 196	12 433 186	461 041	461 041	4.30
GENERAL EXPENSES BULK PURCHASE	136 626 426	144 277 506	152 068 491	160 280 190	7 651 080	7 651 080	5.60
GENERAL EXPENSES - CONTRACTED SERVICE	31 447 781	31 533 930	32 145 003	33 826 995	86 149	86 149	0.27
LOSS ON SALE OF ASSETS	90	0	0	0	-90	-90	-100.00
COLLECTON COSTS	300 000	316 800	333 907	351 938	16 800	16 800	5.60
TOTAL GENERAL EXPENSES	220 154 394	240 260 468	252 142 592	265 673 876	20 106 074	20 106 074	9.13
REPAIR & MAINTENANCE	20 001 519	26 191 246	27 605 354	29 049 478	6 189 727	6 189 727	30.95
INTER DEPARTMENTAL CHARGES	30 532 308	42 204 996	42 964 017	45 284 072	11 672 688	11 672 688	38.23
	402 813 158	462 568 954	485 930 349	512 229 679	59 755 796	59 755 796	14.83
DEPRECIATION	13 646 759	5 480 628	4 793 697	5 052 557	-8 166 131	-8 166 131	-59.84
CONTRIBUTION TO PROVISIONS	16 074 198	18 490 610	19 489 104	20 541 514	2 416 412	2 416 412	15.03
CONTRIBUTION FROM PROVISIONS	-6 120 000	-6 378 720	-6 723 171	-7 086 222	-258 720	-258 720	4.23
EXPENDITURE (GROSS)	428 414 115	480 161 472	503 489 979	530 755 303	54 006 077	54 006 077	12.08
AMOUNTS CHARGED OUT	-8 911 850	-9 409 489	-9 917 598	-10 453 150	-497 639	-497 639	5.58
EXPENDITURE (NETT)	419 502 265	470 751 983	493 572 381	520 302 153	53 508 438	53 508 438	12.22
LEVIED CHARGES	-262 826 000	-289 257 162	-304 877 049	-321 340 409	26 431 162	26 431 162	10.06
TARIFF CHARGES LEVIED	-1 497 073	-3 552 265	-3 744 087	-3 946 268	2 055 192	2 055 192	137.28
TARIFF CHARGES OTHER	-3 277 211	-2 781 473	-2 931 668	-3 089 979	-495 738	-495 738	-15.13

GOVERNMENT GRANTS & SUBSIDIES OPERATIONAL

EXPENDITURE	-109 421 026	-113 351 875	-118 462 655	-121 903 230	3 930 849	3.59
PMU		-2 224 050	-2 344 149	-2 470 733		
FINES	-513 700	-990 403	-1 043 886	1 100 254	476 703	92.80
INTEREST	-10 789 158	-10 872 900	-11 460 037	-12 078 879	83 742	0.78
RENT FACILITIES AND EQUIPMENT	-1 930 893	-1 984 807	-2 090 808	-2 203 216	53 914	2.79
LICENCE & PERMITS	-2 270 000	-2 397 120	-2 526 564	-2 662 999	127 120	5.60
AGENCY SERVICES	-4 586 915	-4 843 782	-5 105 346	-5 381 035	256 867	5.60
PROFIT SALE OF ASSETS	-2 699 759	-10 075 000	-10 075 000	-15 375 000	7 375 241	273.18
OTHER INCOME	-1 977 896	-2 004 400	-2 100 515	-2 213 827	26 504	1.34
	3 343 775	2 462 346	2 595 313	2 735 460	-881 429	-26.36
INCOME FOREGONE						
DIRECT OPERATING INCOME GENERAL	-400 484 706	-441 872 891	-464 166 451	-488 829 861	39 440 127	10.33
INTERNAL TRANSFERS	-21 534 030	-31 319 929	-33 011 206	-34 793 811	9 785 899	45.44
TOTAL OPERATING INCOME	-422 018 736	-473 192 820	-497 177 657	-523 623 672	49 226 026	12.13

INCOME STATEMENT

TOTAL EXPENDITURE	419 502 265	470 751 983	493 572 381	520 302 153	53 508 438	12.22
TOTAL OPERATING INCOME	-422 018 736	-473 192 820	-497 177 657	-523 623 672	49 226 026	12.13
OPERATING SURPLUS/DEFICIT	-2 516 471	-2 440 837	-3 605 276	-3 321 519	102 734 464	

CAPITAL PROVISION IN OPERATIONAL

SURPLUS AFTER CAPITAL PROVISION	2 500 000	2 400 000	3 400 000	3 000 000		
	-16 471	-40 837	-205 276	-321 519		

CAPITAL BUDGET

DESCRIPTION	Budget 12/13	13/14	14/15	15/16	VARIANCE	EXPENDITURE
MIG -5%	38 358 150	42 256 950	46 655 450	49 995 650	3 898 800	
INEG ROLL OVER	751 000	21 571 000	15 000 000	20 000 000	20 820 000	
TOTAL NATIONAL	54 009 150	63 827 950	61 655 450	69 995 650	24 718 800	
DISTRICT MUNICIPALITY	18 114 496	19 128 000	20 160 000	21 249 000	1 013 504	
IN KIND-ESCOM	9 690 000	984 000	3 000 000	4 500 000	-8 706 000	
REGINAL BULK	6 000 000	15 000 000	23 000 000	38 000 000	9 000 000	
TOTAL OTHER GRANTS	33 804 496	33 804 496	33 804 496	33 804 496	1 307 504	

LOANS	2 000 000	2 000 000	2 000 000	2 000 000	0
OWN FUNDS	500 000	400 000	1 400 000	2 000 000	-100 000
CAPITAL TOTAL	90 313 646	100 032 446	98 859 946	107 800 146	

The total revenue budget for the year is R570 825 266 whilst total expenditure budget is R570 784 429 and there is a surplus of R40 837. Operating revenue is R473 192 820 and capital revenue is R100 032 446. Operating expenditure is R470 751 983 and capital expenditure is R100 032 446.

19.2. EXPLANATORY NOTES ON BUDGET

19.2.1. REVENUE COLLECTION ANALYSIS

19.2.1.1. USER LEVIES CHARGES

User charges contribute 51% of the total revenue budget of which the main contributor is sale of electricity followed by assessment rates, water, sewerage, refuse removal.

19.2.1.2. TARIFF CHARGES OTHER

The other tariff charges contribute 1% to total revenue collected.

19.2.1.3. GOVERNMENT GRANTS AND SUBSIDIES

Operational government grants are contributing 20% to the total revenue budget whilst capital grants contribute 17%

19.2.1.4. FINES

Fines contributed only 0.0% to total revenue budget.

19.2.1.5. INTEREST

Interest has contributed 2% to the total revenue budget.

19.2.1.6. RENTAL FACILITIES AND EQUIPMENTS

This type of revenue contributed 0.3% to total revenue budget.

19.2.1.7. LICENSES AND PERMITS

Revenue on these line items contributed only 0.0% to total revenue budget.

19.2.1.8. AGENCY FEES

Agency services contribute 1.00% to total revenue budget.

19.2.1.9. PROFIT ON SALE OF ASSETS

Profit on sale of assets contributed 2% of total revenue budget, of which the main contributor is sale of erven is the main contributor.

19.2.1.10. OTHER INCOME

Other income contributed only 0.0% to total revenue budget.

19.2.1.11. INCOME FOREGONE

Income forgone is standing at 0.0%, which is for incentives for assessment rates.

19.2.1.12. INTERNAL TRANSFERS

Internal transfers are standing at -6%.

19.3. Income

When determining the tariffs which must be charged for the supply of the four major services, the municipality shall identify all the costs of operation of the undertakings concerned, including specifically the following:

- Cost of bulk purchases in the case of water and electricity.
- Distribution costs.
- Distribution losses in the case of electricity and water.
- Depreciation expenses.
- Maintenance of infrastructure and other fixed assets.
- Administration and service costs, including:
 - service charges levied by other departments such as finance, human resources and legal services;
 - reasonable general overheads, such as the costs associated with the office of the municipal manager;

- adequate contributions to the provisions for bad debts and obsolescence of stock;
- all other ordinary operating expenses associated with the service concerned including, in the case of the electricity service, the cost of providing street lighting in the municipal area (note: the costs of the democratic process in the municipality – that is, all expenses associated with the political structures of the municipality – shall form part of the expenses to be financed from property rates and general revenues, and shall not be included in the costing of the major services of the municipality).

That the property rates and service charges adjustment be approved in principle as follows:

1. Assessment rates will be adjusted taking the new valuations into consideration at a tariff of 5.6%
2. Electricity tariffs with 8% from 1 July 2013 based on the 8.% increase from Eskom
3. Water tariffs with 10% from 1 July 2013
4. Sewerage tariffs with 10% from 1 July 2013
5. Refuse Tariffs with 10% from 1 July 2013
6. Sundry income 10%

19.3.1. General Expenditure

The current cpix increase identified by National Treasury is approximately 5.6%. The general increases in the budget follow this guide but in certain cases the tariffs are increased in line with actual costs and out of this guideline increases. These items relate to maintenance, fuel, telephone and contracted in services. In order to cover actual costs the increase budgeted for is 5.6%.

19.3.2. Capital Expenditure

All funds received from grants are budgeted for. Own contributions to capital is limited to the purchase of vehicles, equipment, computer equipment and purchase of land.

19.3.3. Categories

Council should divide the capital budget between contractually committed projects, continually compelled projects and new projects.

- **Contractually Committed (Type A Projects)**
Contractually committed projects are those for which formal arrangements already exist.
- **Continually Compelled (Type B Projects)**
The main focus areas of the continually compelled projects are the strengthening and expansion of networks and the replacement or reconstruction of existing infrastructure. The Technical Department identify type B projects and the main focus is on the protection of the Municipality's assets. Examples of Type B projects are the replacement of worn out water and sewer networks. Any expenditure that simply ensures that the asset remains in good working order, retain its original characteristics of performance and useful life will be expensed in the operating budget. Type B projects represent projects that are necessary and executed to extend the life span of assets.
- **New Projects (Type C Projects)**
This category comprises of new projects of a capital nature for which the need has been identified through the IDP process.

19.3.4. Wages

The wages agreement reached in 2009 has lapse so there will still be negotiations but National Treasury has approved a wage increase of CPI of 6.85%.

19.3.5. PERSONNEL COSTS

Employee cost and councillors allowances against total expenditure budget is 27%.Employee costs contributed 25% and councillors allowances contributed 2%.Vacant posts budgeted R1 million due to financial challenges.

19.3.6. REPAIRS AND MAINTENANCE

Repairs and maintenance budgeted expenditure is 4.71% of the total expenditure budget.

19.3.7. DEPRECIATION

Depreciation contributed 1% (R5 480 628) of the total expenditure budget. Even though is not cash traction, provision must be made in terms of the GRAP accounting standards is supposed to budget 10% (R40 314 187) of the total fixed assets

19.3.8. PROVISIONS

Contribution to provisions is budget 2% (R12 111 890) of the total expenditure budget, of which the main contributor is debt impairment. Debt impairment was calculated on a 4% of the total expected billing and current collection rate is 75% at the time of preparing this draft budget. The debt impairment provision was supposed to 25% of the expected billing, therefore, there is under estimation of 21% (R61 785 835).

19.3.9. CAPITAL EXPENDITURE

Capital budget is 15 % of the total expenditure budget

19.3.10. EQUITABLE SHARE

The municipality will receive an equitable share grant of R108 953 000

19.3.11. MUNICIPAL INFRASTRUCTURE GRANT

The municipality will receive R 44 481 000

19.3.12. INTEGRATED ENERGY GRANT

The municipality will receive an Integrated Energy Grant of R21 571 000.

19.3.13. MUNICIPAL FINANCE MANAGEMENT GRANT

The municipality will receive R 1 550 000 for Municipal Finance Management Grant.

19.3.14. MUNICIPAL SYSTEMS IMPROVEMENT GRANT

The municipality will receive R 890 000 of Municipal Systems Improvement Grant.

19.3.15. ESKOM - INTEGRATED ENERGY GRANT

The municipality will receive an in kind grant from the ESKOM of R 984 000.

19.3.16. GERT SIBANDE DISTRICT

The municipality will receive an in kind grant from the district of R 19 128 000, Note should be given that no formal confirmation is received from district. This is an estimated budget based on prior year allocation

19.3.17. DWA – BULK WATER SUPPLY

The municipality will receive an in kind grant from the Department of Water Affairs of R 15 000 000

19.3.18. EXPANDED PUBLIC WORKS PROGRAMME

The municipality will receive R 1 000 000 of Expanded Public Works programme.

19.4. General

The budget legislation as well as procedures was highlighted in the adjustment budget report. The budget is realigned to improve visible service delivery and to improve the ability to service the needs of the council to operate on a day to day basis.

The following sections deals with the individual votes as prescribed by the MFMA

MFMA Circulars 10 and 19 provide guidance on the steps in the annual budget process. Critical to the development of a credible budget are: the manner in which the strategic planning process is integrated; the input of policy directions; and consultation with the community and other stakeholders. This section will summarise:

- Political oversight and management of the budget process
 - Time schedule relating to the budget process
 - Process used to integrate the review of the IDP and preparation of the budget
- Process for tabling of budget and community consultations

19.4.1. Political oversight of the budget process

The Mayoral Committee and Senior Management should convene a strategic planning session to discuss political and strategic priorities that would inform the IDP review and Budget preparation processes.

In regard to budget committees, the Portfolio Head for Finance, assisted by the various portfolio committees/heads and Mayoral Committee provided a political oversight role over the IDP review and Budget preparation processes.

Informal council meetings were also convened to discuss issues pertinent to the budget and to solicit views from councillors on such matters.

The Municipal Manager and Unit managers provided inputs into the process at various management meetings.

- Various public participation meetings with residents and ward committees on the annual revisions to IDP were held during the period September 2011 to October 2011. **Schedule of Key Deadlines relating to budget process [MFMA s 21(1)(b)]**

The following time schedule of key deadlines for the preparation of the budget and the annual review of the IDP for the 2013/2014 medium term period was tabled in Council in August 2012 and was approved by council accordingly.

The table below indicates the process that will be followed to compile the Budget and IDP review for 2012/13.

20. IDP REVIEW PROGRESS PLAN 2013/2014

20.1. DEFINITIONS

20.1.1. SECTOR DEPARTMENT

Sector Departments refer to all Government departments dealing with a certain expertise, e.g. Department of Agriculture or Department of Health.

20.1.2. IDP STEERING COMMITTEE

Legislatively established committee within the Municipality comprising of selected personnel per section within the municipal departments, tasked to scrutinize fine elements of the IDP process.

20.1.3. IDP CHAMPION

An IDP champion is an official who is the head of a section within a department in the Municipality and directly responsible for IDP process.

20.1.4. STAKEHOLDERS

Stakeholders are persons or organizations having interest in any activity/affairs of the Municipality. This includes government departments and the district municipality.

20.1.5. INTRODUCTION

In terms of Section 29 of the Local Government: Municipal Systems Act, 2000, each municipal council must adopt a process set out in writing to guide the planning, drafting, adoption and review of its integrated development plan. It is therefore the municipality's obligation to fully comply with the said legislation and ensure community and stakeholder participation throughout the planning process in order to realize the objectives of our IDP. This process will also ensure alignment to the District Framework in terms of Section 27 of the Local Government Municipal Systems Act, 2000.

20.1.6. BACKGROUND

The municipal Council has as per resolution **LM 1094/05/2011** adopted their Integrated Development Plan for 2012 – 2016. This Process plan is therefore set out in terms of Section 34 of the Local Government: Municipal Systems Act, 2000 to annually review the IDP as adopted by Council for the 2013/2014 financial year. The process plan forms the basis of Municipal Integrated Development Plan which must be aligned with district framework. The review process is therefore structured as follows:

- 20.1.6.1. Consultative meeting in a form of General/mass meeting will be conducted in all the Wards of Msukaligwa.
- 20.1.6.2. After the first exercise has been completed, Ward Development plans will be issued to each Ward Councillor.
- 20.1.6.3. These Ward Development Plans seek to solicit specific information from different Wards in terms of the needs of the inhabitants of that Ward.
- 20.1.6.4. It therefore becomes duty and function of the Ward Councillor and Ward Committee to co-ordinate the meeting of all role players/section groups e.g. Youth, organization, people, disability, traditional leaders, Civic organization etc. in that particular Ward to participate in completion of that Ward Development Plan.
- 20.1.6.5. There are other Wards that stretches from urban to rural areas of which the diversity is catered thorough Ward Development Plans that will be issued and completed to each Community as the needs differ.
- 20.1.6.6. After identification of projects and their prioritization, the Ward development plan will be submitted to the IDP office within a specified time frame.
- 20.1.6.7. The IDP office will consolidate the information and link the needs with various departments.
- 20.1.6.8. Institutional arrangements will be done for consolidation of provisional document in the form of IDP steering committee to prepare for the IDP Representative Forum which is chaired by the Honourable Executive Mayor.
- 20.1.6.9. The IDP Steering Committee meeting will then be convened by the IDP Office which is chaired by the Municipal Manager/IDP Manager. It is important to note that the IDP Steering Committee consist of:
 - All Directors from various departments and;
 - DP Champions who are Senior Officials in our Management as appointed from such departments.

- 20.1.7. Each and every department is having an obligation to ensure that all needs prioritized as projects and programmes and are linked to the budget.

- 20.1.8. It is also the duty of each and every Department to prepare business plan to various institutions in order to solicit funding for unfunded projects and programmes.
- 20.1.9. Projects and programs will therefore be confirmed or prioritize during the compilation of the Ward Development Plan
- 20.1.10. After the completion of the exercise, the Draft IDP will therefore be handed over to the Office of the Executive Mayor for scrutiny.
- 20.1.11. On acceptance of the draft document by the Executive Mayor, the draft will be presented to the IDP Representative Forum for inputs/comments, adoption and subsequent submission to Council for adoption.
- 20.1.12. On approval of the draft by Council, the draft will be made public for comment for a period of 21 days as dictated by legislation.
- 20.1.13. The IDP Representative Forum chaired by the Executive Mayor consisting of all role players e.g. business community, traditional leaders, political parties, Civic Structures, Religious Communities, NGO, CBO and rural Community etc. will then be convened after the expiry of 21 days of public comment of the document. It is in this meeting where various comments and inputs will be discussed and incorporated into the document.
- 20.1.14. The refined document with alterations made will again go back to the IDP office for finalization.
- 20.1.15. The final document will therefore be tabled in Council meeting for final adoption and implementation.
- 20.1.16. The adoption of the reviewed IDP document will be done before the adoption of the Budget because this is the document that informs the budget.
- 20.1.17. New proposal received after objection period of the document will be noted and be catered for during the following review.
- 20.1.18. Attached per Annexure "C" is Council resolution LM 1094/05/2011 giving approval of the 2011-2012 IDP.

MSUKALIGWA LOCAL MUNICIPALITY

The Municipality is a B category Municipality and consists of 19 wards. As a local Municipality, it is the sphere of government closer to people.

- **Municipal Council**
The following are the roles of the Municipal Council in relation to the IDP:
 - Approval of the new or revised IDP.
 - Consideration and approval of the IDP process plan.
- **Executive Mayor and Mayoral Committee**
The following are the roles of the Executive Mayor and Mayoral committee in the IDP:
 - Manage the drafting of the IDP and may assign such responsibilities to the Municipal Manager.
 - Monitoring and co-ordination of the IDP review process.
 - Submit draft and reviewed IDP to Council.
 - Co-ordinate and arrange sittings of the IDP Representative forum Meetings which are chaired by the Executive Mayor.
- **Municipal Manager/IDP Manager**
The following are the roles of the Municipal Manager/IDP Manager in the IDP review process:
 - Management of the entire planning and implementation of the IDP processes.
 - Ensure participation of all role players in the planning process.
 - Preparation and drafting of the process plan.
 - Chairing of the IDP Steering committee meeting.
 - Ensure compliance and alignment of the planning process with legislative requirements.
 - Ensure that the IDP is linked to the performance management and that monitoring, evaluation and review processes are maintained.
- **IDP Steering Committee**
The Committee is constituted by the Municipal Manager, IDP Manager, Directors and IDP Champions within the municipal departments. The following are the roles of the IDP Steering Committee:
 - Management of the IDP process plan.
 - Establish and provide terms of reference for the IDP Representative Forum.
 - Decide on roles and responsibilities.
 - Overall management including the appointment of technical consultants.
 - Consideration of inputs and comments from public and all other stakeholders.
 - Recommendation of service providers.
 - Ensuring that projects are captures in the IDP.

- **IDP Representative Forum**

The IDP Representative forum constitute the Executive Mayor as the chairperson, Councillors, Municipal Manager, all directors, community participation structures and any other stakeholders. The following are the roles of the IDP Representative Forum:

- Monitor implementation process of the IDP.
- Represent the interests of the inhabitants of Msukaligwa Municipality.
- Ensure dissemination of information to communities they represent and provide a platform for discussion, negotiation and decision-making between stakeholders and the municipality.

- **IDP TECHNICAL COMMITTEE**

The IDP technical committee will sit at least twice per annum at the Municipality and comprise of the Municipal manager, IDP manager, District IDP manger and Senior Officials from Provincial and National departments. It should be noted that the participating National departments will only be those performing certain functions within the District/Local municipality and do not have Provincial Department performing such functions. The following are the roles of the IDP Technical Committee:

- Considering programmes and projects that need to be aligned to the municipality's IDP.
- To ensure the integration of IDP policies, objectives, strategies and projects into daily functioning and planning of the municipality.
- Ensure dissemination of information from departments to the municipality and other relevant stakeholders.

ROLE PLAYED BY RESPECTIVE STAKEHOLDERS

STRUCTURE	TERMS OF REFERENCE
Municipal Council	<ul style="list-style-type: none"> • The Municipal Council will have final say or comment and approval of the new/reviewed IDP. • Will consider the process plan which should set out the process for the development/review of the IDP. • A member of the committee or council to formally submit to the municipal council a proposal to amend the IDP and also give reasons why it should be amended
Executive Mayor and Mayoral Committee	<p>The Mayoral Committee must:</p> <ul style="list-style-type: none"> • Decide on the Process Plan for the development /review of the IDP. • Responsible for overall political direction of the IDP process, and may assign responsibilities to the Municipal Manager • Submit review IDP framework and draft IDP to Council. • Develop terms and criteria for Representative Forum. • Give political direction
Steering committee	<ul style="list-style-type: none"> • Provides terms of reference for the various planning activities • Manage draft action programme. • Commissions research studies or investigations. • Considers and comments on: <ul style="list-style-type: none"> - Inputs from sub-committee/s, study teams and consultants - Analyse inputs from stakeholders • This committee will include the following departmental heads / delegated officials: <ul style="list-style-type: none"> - Finance - Corporate Services - Engineering Services - Public Safety - Community Services - Office of the Municipal Manager • Participate in the designing of project proposals and/or assess them.
IDP Technical Committee	<ul style="list-style-type: none"> • Considers and comments on: <ul style="list-style-type: none"> - Inputs from provincial sector departments and support providers - Analyse inputs from stakeholders • Advising the IDP-RF on terms of reference for various Planning activities • Discuss the challenges encountered and recommend possible solutions • Ensure alignment regarding technical matters • Attend to the alignment of the Municipal IDP to sector and district programmes • Deliberate on inter-sectoral programmes and recommendations to the representative forum

	<ul style="list-style-type: none"> • Report on progress to be forwarded to the Steering Committee.
IDP Representative Forum	<ul style="list-style-type: none"> • The Executive Mayor or Representative chair the forum meeting. • Inform interest groups, communities and organizations, on relevant planning activities and their outcomes; • Analyze issues, determine priorities, negotiate and reach consensus; • Make recommendations on planning issues to the municipal council.
Ward Committees	<ul style="list-style-type: none"> • Link the planning process to their constituencies and/or wards. • Be responsible for organizing public consultation and participation. • Ensure the annual business plans and municipal budget are linked to and based on the IDP.
District and Sector Departments	<ul style="list-style-type: none"> • To provide vital information and support during planning, evaluation and monitoring processes.

- **2013/2014 IDP REVIEW PROCESS**

As required in terms of Section 29 of the Local Government: Municipal Systems Act, 2000, the following processes will be followed by the Municipality to review its IDP. The process plan which in terms of the said legislation, must be set in writing, will be approved by Council.

- **OVERVIEW OF IDP PHASES**

The Integrated Development Plan review process for the 2013/2014 consists of 5 (five) phases which programme is planned to commence in August 2012 and anticipated to be finalized at the end of May 2011. It should also be borne in mind that the final IDP must be adopted by Council 28 March 2013.

- **PHASE OF PREPARATION**

What need to be done in preparation to plan and consolidate Municipal process plan and District framework?

- **PHASE 1 (ONE) – ANALYSIS**

- what do we want to prepare for?
- Well understood priority issues.

- **PHASE 2 (TWO) – STRATEGIES**

- what benefits do we want to deliver and how do we get there?
- efficient and effective strategies

- **PHASE 3 (THREE) – PROJECTS PLANNING**

- what project details need to be defined to realize the strategies?
- Indicators and basic project implementation information.

- **PHASE 4 (FOUR) – INTERGRATION**

- It must be informed by our Inter-Governmental Relations (IGR)
- What do we need to manage to make it happen?
- Integrated management programmes and plan.

- **PHASE 5 (FIVE) – APPROVAL**

- Once satisfied, the IDP document is referred to Council for approval.

21. THE BUDGET COMPILATION PROCESS

In terms of Section 21 of the Municipal Finance Management Act 56 of 2003, the Mayor of a municipality must coordinate the process for preparing the annual budget and for the reviewing of the Municipality's Integrated Development Plan and Budget related policies. Also from the provision of this section, the Mayor must at least ten months before the start of the budget year, table in the Municipal Council the time schedule outlining key deadlines for the preparation, tabling and approval of the annual budget and annual review of the IDP in terms of section 34 of the Municipal Systems Act.

It is from the provisions of the said Acts that the following schedules were developed to provide a framework for the preparation of the budget and IDP processes:

21.1. Steps in the Preparation Process of the IDP and Budget

STEP	PROCESS
1. Planning	Schedule key dates, establish consultation forums, review previous processes
2. Strategizing	Review IDP, set service delivery and objectives for next 3 years, consult on tariffs, indigent, credit control, free basic services, etc. and consider local, provincial and national issues, previous year's performance and current economic and demographic trends etc.
3. Preparing	Prepare budget, revenue and expenditure projections, draft budget policies, consult and consider local, provincial and national inputs or responses.
4. Tabling	Table draft budget, IDP and budget related policies before council consult and consider formal local, provincial and national inputs or responses.
5. Approving	Council approves budget and related policies.
6. Finalizing	Publish and approve SDBIP and annual performance agreements and indicators.

22. BUDGET CONSULTATIVE PROGRAMME

The Budget Consultative programme couldn't be attached to this Process Plan as it was not yet finalized. Thus the media will be used to publish the Budget Consultative Dates after the approval of such programme by the Speaker.

23. PUBLIC PARTICIPATION

In terms of chapter 4 of Municipal Systems Act of 2000, a Municipality is required to conduct a public participation exercise and that such exercise must be included in the process plan and be made known to the community. In terms of Section 21(1)(a)(b)(c) of Municipal Systems Act of 2000, the Act stipulates that communication or notices by the municipality to the community must be done:-

- in the local newspaper or newspaper of its area;
- in a newspaper or newspapers circulating in its area and determined by the council as a newspaper of record; or
- by means of radio broadcasts covering the area of the Municipality;

In addition to the above prescribed manner of communication to the public, the municipality will use loud hailing and distribution of pamphlets in both English and local language (Zulu) as per **Annexure "E"**, page 33.

24. MECHANISMS AND PROCEDURES FOR ALIGNMENT

It is of critical importance that the Municipality should align its 2013/2014 IDP review process to ensure alignment of National, Provincial and District programmes. Alignment will therefore be done taking into consideration the National targets (state of the Nations address, state of the Province address, millennium targets and the Provincial growth and development strategy.

The inter-governmental relations shall be strengthened in terms of the Intergovernmental Relations Framework to ensure cascading of information from National to Local level. The District as well as the Provincial departments will therefore be required to provide assistance to the municipality in compilation of outstanding sector plans in order to come up with a credible IDP.

25. BINDING LEGISLATION

The municipality shall at all times comply with all relevant legislative requirements during the whole process. See attached annexure listing all relevant legislation to be adhered to.

26. CONCLUSION

All Councillors, Municipal Manager, Directors and their respective department are required to comply with Msukaligwa Local Municipality process plan. The key role players should ensure that they are working within the set time

- **Process used to integrate the review of the IDP and preparation of the budget**
The IDP Steering Committee consisting of key political office bearers and senior management ensured that issues relating to the IDP and budget preparation are managed and dealt through an integrated and holistic approach.

27. All IDP related matters having an impact on resource allocations and the budget in general are therefore handled more appropriately by the Steering Committee.

- **Process for tabling of budget and community consultations**
In terms of section 24(1) of the MFMA, the mayor must table the annual budget at least 30 days before the start of the budget year.

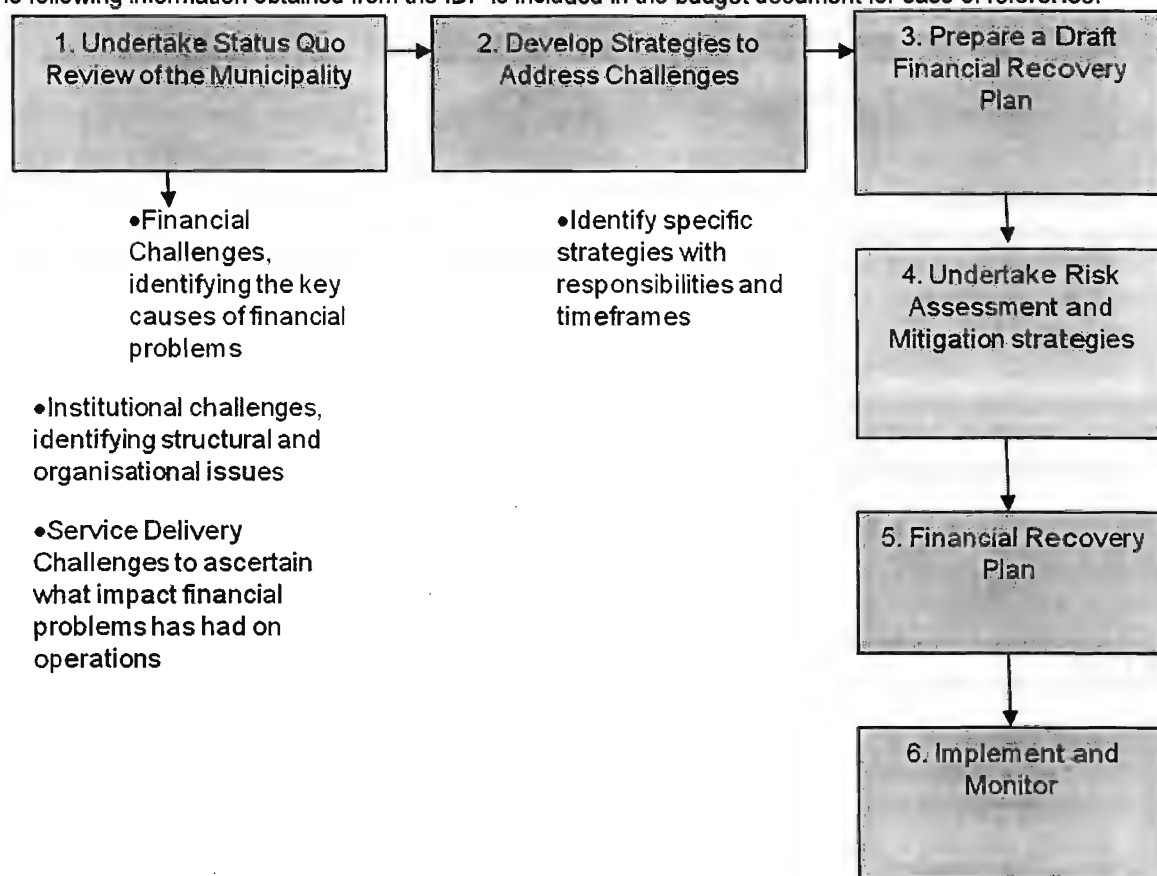
The draft 2013/2014 MTREF Budget of the municipality was be tabled on 28 March 2013.

The following table provides a clear illustration of the types of consultations, stakeholders involved, dates on which the various consultations took place and the respective venues.

27.1. Alignment of Budget with IDP

This section provides a good understanding of what is contained in the IDP and how that guides the allocations in the budget. The budget documentation provides a good high-level overview of the IDP and reference is being made to the detailed IDP documentation.

The following information obtained from the IDP is included in the budget document for ease of reference.



28. Budget Related Policies: Overview and Amendments

This section should provide a broad overview of the budget policy framework and highlight the amended policies to be approved by council resolution. No amendments are proposed to the following existing policies approved by Council.

28.1. 2012/13 Medium Term Revenue and Expenditure Framework (MTREF) Policy Review

Budget related policies overview

Developed policies

- Enterprise Risk Management Policy
- Fraud prevention plan
- Insurance Policy
- Anti- Corruption Strategy

Reviewed policies

- Asset Management Policy
- Investment and Bank Management Policy
- Supply Chain Management Policy
- Credit control and debt collection policy
- Tariff Policy

- Indigent Policy
- Indigent and Pauper Burial Policy
- Property Rates Policy
- Budget policy
- Inventory Policy

28.2. FIXED ASSET POLICY AMEDEMEMENTS

No amendments have been made

28.3. INVESTMENT CASH MANAGEMENT POLICY

29. No amendments have been made

29.1. MUNICIPAL SUPPLY CHAIN MANAGEMENT POLICY

No amendments have been made

29.2. CREDIT CONTROL AND DEBT COLLECTION POLICY

No amendments have been made

29.3. INDIGENT POLICY

No amendments have been made

29.4. PETTY CASH POLICY

No amendments have been made

29.5. PROPERTY RATES POLICY

No amendments have been made

29.6. Fiscal Overview and Source of Funding (Tariffs)

INVESTMENTS

9000.00.1.15.4102

INSTITUTION	AMOUNT
<u>INVESTMENTS :July 2012</u>	
ABSA INVESTMENT 1 MONTH (2072537039)17/7-20/8	0.00
FNB BANK - INVESTMENT 2 MONTHS (74367199749)31/7-21/9	0.00
ABSA BANK - INVESTMENT 3 MONTHS (2072537047) 17/7-16/10	0.00
ABSA BANK - INVESTMENT 4 MONTHS (2072537055) 17/7-15/11	0.00
<u>INVESTMENTS: December 2012</u>	
NEDBANK - INVESTMENT 1 MONTHS (176000029) 20/12-20/01	0.00
STANDARD BANK - INVESTMENT 2 MONTHS (738887536-010) 20/12-20/2	0.00
INVESTEC BANK - INVESTMENT 2 MONTHS (30001683920)20/12-20/2	0.00
	5 000
ABSA BANK - INVESTMENT 3 MONTHS(2072959687)20/12-20/03	000.00
<u>INVESTMENTS: January 2013</u>	
ABSA BANK - INVESTMENT 1 MONTH (2073044899) 23/1-25/2	0.00
	5 000
ABSA BANK - INVESTMENT 2 MONTH (2073044946) 23/1-25/3	000.00
STANDARD BANK - MARKET LINK	995 830.48
STANDARD BANK – CALL	0.00
PROJECT FUND	0.00

	10 995
TOTAL INVESTMENTS	830.48

INTEREST
1400.30.2.26.0735

INSTITUTION	AMOUNT
ABSA INVESTMENT 1 MONTH (2072537039)17/7-20/8	25 849.32
FNB BANK - INVESTMENT 2 MONTHS (74367199749)31/7-21/9	47 816.87
ABSA BANK - INVESTMENT 3 MONTHS (2072537047) 17/7-16/10	70 556.16
ABSA BANK - INVESTMENT 4 MONTHS (2072537055) 17/7-15/11	94 810.96
NEDBANK - INVESTMENT 1 MONTHS (176000029) 20/12-20/01	44 712.33
STANDARD BANK - INVESTMENT 2 MONTHS (738887536-010) 20/12-20/2	42 465.75
INVESTEC BANK - INVESTMENT 2 MONTHS (30001683920)20/12-20/2	43 315.07
ABSA BANK - INVESTMENT 3 MONTHS(2072959687)20/12-20/03	
ABSA BANK - INVESTMENT 1 MONTH (2073044899) 23/1-25/2	22 356.16
ABSA BANK - INVESTMENT 2 MONTH (2073044946) 23/1-25/3	
TOTAL INTEREST INVESTMENTS	391 882.62
TOTAL INTEREST MARKET LINK	182 906.09
TOTAL INTEREST CALL ACCOUNT - STANDARD	0.00
TOTAL INTEREST CURRENT ACCOUNT	112 372.32
TOTAL INTEREST	504 254.94

29.7. MUNICIPAL TARIFFS

29.7.1. Electricity

29.7.1.1. The increase on electricity tariffs is 8%

NERSA has increased bulk purchases tariffs with 8% whilst National Treasury has approved a municipal increase of 8%. As per financial recovery plan the municipality is in serious financial crisis of which is unable to meet its commitments including that of Eskom. The municipality is required to provide services in a sustainable manner, thus the increase of 8%. Repairs and maintenance is serious contributor to the increase due to the aged electricity network. Also we must take into account that 50kwh for free basic electricity for indigent must be taken into account since the amount of equitable share provided is not enough. An application has to be made to Treasury for the above the board increase.

In calculating the weighted average increase the following assumptions were considered:

- bulk purchases have been increased by 8% by NERSA to municipalities
- CPI of 5.6%
- Salary & wage increase of 6.85%
- Repairs and maintenance ,capital cost and other cost have been increased by CPI

Free basic electricity for indigent of 50kwh have been budgeted for

29.7.1.2. **Water**

The increase on Water tariffs is 10%

In calculating the weighted average increase the following assumptions were considered:

- bulk purchases have been increased by 6.6% by DWA to municipalities
 - CPI of 5.6%
 - Salary & wage increase of 6.85%
 - Repairs and maintenance ,capital cost and other cost have been increased by CPI
- 6kl free water will be given to only indigent households. This will be financed from the Equitable Share.

29.7.1.3. **Sewerage Service**

The proposed tariff increase is an average of 10%. This is done in order to obtain a uniform to water tariff.

29.7.1.4. **Emergency Services**

The emergency service tariffs have increases by 10 % (CPI).

29.7.1.5. **Property Rates**

Property rates tariffs have increase by 5.6%,

29.7.1.6. **Refuse Removal**

Property rates tariffs have increase by 10 %,

29.8. **Measurable Performance Objectives and SDBIP's**

It should be noted that the **Service Delivery and Budget Implementation Plan** (SDBIP) will be submitted to the Executive Mayor 14 days after the approval of the budget in accordance with section 69(3)(a) of the MFMA. The approval of the SDBIP by the Executive Mayor will be done as per the provisions of section 53(1)(c)(ii) of the MFMA, that is 28 days after the approval of the budget.

The SDBIP includes a summary of annual measurable performance objectives for votes (directorates). Annual performance objectives are converted into quarterly targets for the Service Delivery and Budget Implementation Plan (SDBIP) and will be audited in terms of the annual performance report required by the Systems Act (refer also to chapters 2 and 5 of the annual report as per MFMA circular 11).

29.9. **Disclosure on Implementation of MFMA**

This section provides disclosure regarding progress in implementing various related legislation including the MFMA and how this affects the budget and budget process.

29.10. **MFMA Implementation and Monitoring Checklist**

The municipality is generally complying for the majority of the implementation priorities as per the National Treasury implementation and monitoring checklist. This checklist is updated quarterly and submitted to National Treasury.

Below is a summary of progress against the plan.

No.	Implementation priority as per NT template	Progress
1	Preparing an implementation plan	100%
2	Allocating appropriate responsibilities under the MFMA to Accounting Officer	100%
3	Establishing a top (senior) management team	67%
4	Implementing appropriate controls over municipal bank accounts and cash management	100%
5	Meeting of financial commitments	30%
6	Reporting revenue and expenditure	85%
7	Supply chain management	75%
8	Implementing reforms in relation to municipal entities and long-term contracts	100%
9	Completing financial statements and advising National Treasury	100%
10	Completing and tabling annual report	100%
11	Complying with provisions for tender committees, boards of municipal entities and in relation to forbidden activities	100%
12	Complying with provisions for internal audit and audit committees	80%
13	Complying with provisions for budgets	100%

14	Information to be placed on website	100%
MFMA returns		
All MFMA and DORA returns are submitted by the municipality as required monthly, quarterly and annually.		
Name of return		Submitted to
MONTHLY		
Financial Management Grant		NT
Age Analysis Debtors (AD) and Creditors (AC), Cash Flow, Operating Statement Actuals (OSB)		NT
Section 71 Budget Statements		PT
Supply Chain Management		NT/PT
MIG returns		COGTA
Equitable Share		COGTA
QUARTERLY		
MFMA Implementation and monitoring checklist		NT
Municipal entities		NT
Public Private Partnerships		NT
Long-term contracts		NT
Borrowing		NT
ANNUALLY		
Appendix A		NT
Operating Statement Budget (OSB)		NT
New Budget Regulations 1 April 2009		NT/PT

29.11. Audit units and audit committees

The internal audit unit has been established which prepares reports to the audit committee on a quarterly basis.

The municipality has an audit committee in place comprising of independent members as required by section 166 of the MFMA.

29.12. Risk management

The municipality does not have a risk management unit and an anti- fraud and corruption management strategy plan is draft still to be tabled to council . Risk assessment was conducted for the current year and the process for the next financial year in progress.

29.13. Implementation of SCM

The new supply chain management policy of the municipality, in line with the MFMA and national treasury prescripts, was adopted by council in July 2005.

All bid committees as required by the SCM regulations are in place and the bid adjudication is chaired by the chief financial officer and operates within delegated powers.

29.14. Effectiveness of audit steering committees

The audit steering committees is an ad-hoc committee established during the planning and execution of the annual audit.

The committee usually comprise of officials of the Municipality and the Auditor-General team performing the audit.

29.15. Reduction of short-term debt

This regulation is not applicable to the municipality as overdraft facilities are managed within the context of section 45 of the MFMA relating to short-term debt.

29.16. Tabling of section 52 reports

Section 52 reports are submitted to the council and also forwarded to provincial treasury on a quarterly basis. Further improvements will be made to the content and format to ensure enhanced compliance and quality.

29.17. Delegations

All delegations are in place and council approved the generic financial delegations in November 2011.

29.18. Performance agreements

The 2011/12 performance agreements of the municipal manager and directors were duly signed at the beginning of the first quarter of the financial year and other Managers as they were appointed. The new performance agreements for 2013/2014 will be finalised after the SDBIP has been approved.

29.19. Implementation of GRAP/GAMAP

The municipality converted to the GRAP standards since 2005/06 financial year key challenges for implementation of GRAP/GAMAP requirements are reflected in the audit report.

29.20. Development of accounting policies

Several accounting policies have been developed and currently in a process of review. The further development of accounting policies will be guided with exemptions as agreed with National Treasury on an annual basis.

Preparation Instructions

Municipality Name:

CFO Name:

Tel:

Fax:

E-Mail:

Budget for MTREF starting:

Budget Year: 2013/14

Does this municipality have Entities?

If YES: Identify type of report:

Name Votes & Sub-Votes

Printing Instructions

Showing / Hiding Columns

Showing / Clearing Highlights

Important documents which provide essential assistance

[MFMA Budget Circulars](#)

[Click to view](#)

[MBRR Budget Formats Guide](#)

[Click to view](#)

[Dummy Budget Guide](#)

[Click to view](#)

[Funding Compliance Guide](#)

[Click to view](#)

[MFMA Return Forms](#)

[Click to view](#)

MP302 Msukaligwa - Contact Information**A. GENERAL INFORMATION****Municipality** MP302 Msukaligwa**Grade** 3

1 Grade in terms of the Remuneration of Public Office Bearers Act.

Province MP Mpumalanga**Web Address** www.msukaligwa.gov.za**e-mail Address** msuka@msukaligwa.gov.za**B. CONTACT INFORMATION****Postal address:**

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City / Town ERMELO

Postal Code 2350

Street address

Building CIVIC CENTRE

Street No. & Name CNR KERK AND TAUTE STREET

City / Town ERMELO

Postal Code 2351

General Contacts

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Fax number 017 801 3851

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Mayor/Executive Mayor:

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Secretary/PA to the Mayor/Executive Mayor:

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Deputy Mayor/Executive Mayor:

Name POSITION NOT FILLED
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Cell number 0
Fax number 0
E-mail address 0

Secretary/PA to the Deputy Mayor/Executive Mayor:

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D. MANAGEMENT LEADERSHIP**Municipal Manager:**

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Chief Financial Officer

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Secretary/PA to the Chief Financial Officer

Name ANTOINETTE SWART
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Fax number 017-8013662
E-mail address aswart@msukaligwa.gov.za

Official responsible for submitting financial information

Name ZODWA NZIMANDE
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Cell number 017 801 3512
Fax number 017-8013662
E-mail address znzimande@msukaligwa.gov.za

Organizational Structure Views	Complete Votes & Sub-Votes	Select Org-Structure
View 01	Summary Department Town Engineer	
01-01	Director Town Engineer	
01-02	Public Works	
01-03	Public Works Employees From Province	
01-04	Technical Department	
01-05	Plan	
01-06	Airport	
01-07	Sewerage Income	
01-08	Sewerage Network	
01-09	Sewerage Purification	
01-10	Water Income	
01-11	Water Network	
01-12	Water Purification	
01-13	Wastewater Workshop	
View 02	Summary Electricity	
02-01	Street Lights	
02-02	Electricity	
02-03	Street Lights	
View 03	Summary Department Public Safety	
03-01	Director Public Safety	
03-02	Fire Brigade Services	
03-03	Disaster Management	
03-04	Safety And Security	
03-05	Law Enforcement	
03-06	Traffic	
03-07	Traffic Meters	
View 04	Summary Department Community And Health	
04-01	Director Community And Health	
04-02	Cemetery	
04-03	Cemeteries Park	
04-04	Parks And Grounds	
04-05	Libraries	
04-06	Swimming Pool	
04-07	Sport & Recreation	
04-08	Sport Fields General	
04-09	Golf Course	
04-10	Health	
04-11	Clinics	
04-12	Tuberculosis Hospital	
04-13	Welfare	
04-14	Housing	
04-15	Sub-economic Housing	
04-16	Libraries	
04-17	Disaster Planning	
04-18	Sport Fields General	
04-19	Golf Course	
04-20	Sport And Recreation	
View 05	Summary Department Corporate Services	
05-01	Refuse / Sanitary	
05-02	Staff Plans	
05-03	Director Corporate Services	
05-04	Civic Centre	
05-05	Administration	
05-06	Human Resources	
05-07	Occupational Health & Safety And Youth	
View 06	Summary Council General	
06-01	Town Planning And Building Control	
06-02	Marketing & Communication	
06-03	Grants & Donations	
06-04	Town Planning	
06-05	Integrated Management Information System	
06-06	Local Economic Development	
06-07	Tourism	
06-08	Summary Council General	
06-09	Municipal Manager	
06-10	Integrated Management Information System	
06-11	Local Economic Development	
06-12	Tourism	
06-13	Aid & Internal Audit	
06-14	Council General	
06-15	Exco Councilors	
06-16	Mayor	
06-17	Speaker	
06-18	Councillors	
06-19	Director Marketing And Communication	
06-20	Marketing And Communication	
06-21	Local Economic Development	
06-22	Grants & Aid And Donations	
06-23	Tourism	
View 07	Summary Department Finance	
07-01	Director Finance	
07-02	Assessment Rates	
07-03	Municipal Store	
07-04	Finance	
View 08	Summary Department Marketing And Communication	
08-01	Other	

MP302 Msukaligwa - Table A1 Budget Summary

Description	2009/10	2010/11	2011/12	Current Year 2012/13				2013/14 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
R thousands										
Financial Performance										
Property rates	36 845	42 273	51 442	58 073	55 873	55 873	37 787	59 871	63 104	66 511
Service charges	127 070	155 543	173 049	220 229	216 103	216 103	143 203	241 431	257 923	268 205
Investment revenue	772	741	589	416	416	416	317	500	527	555
Transfers recognised - operational	69 162	86 102	93 528	110 532	110 532	110 532	72 207	114 617	119 796	123 305
Other own revenue	70 400	65 495	92 780	69 826	39 095	39 095	18 135	56 774	59 283	61 940
Total Revenue (excluding capital transfers and contributions)	304 249	350 152	411 388	459 076	422 019	422 019	271 649	473 193	500 632	520 526
Employee costs	90 371	102 932	112 313	138 089	122 443	122 443	81 918	143 264	151 995	160 395
Remuneration of councillors	6 946	7 464	9 010	9 682	9 682	9 682	6 460	10 649	11 224	11 830
Depreciation & asset impairment	20 166	28 152	27 270	6 614	13 647	13 647	11 695	5 481	4 794	5 055
Finance charges	9 109	9 467	12 144	12 490	14 506	14 506	9 572	15 158	15 977	16 830
Materials and bulk purchases	66 890	91 979	107 754	131 849	136 707	136 707	65 306	144 368	152 164	160 380
Transfers and grants	21 987	24 614	25 677	37 917	26 272	26 272	17 676	46 661	49 143	51 740
Other expenditure	67 771	70 040	81 859	118 422	96 245	96 245	38 930	105 172	108 277	114 060
Total Expenditure	283 239	334 649	376 027	455 063	419 502	419 502	231 556	470 752	493 572	520 300
Surplus/(Deficit)	21 009	15 504	35 361	4 013	2 516	2 516	40 092	2 441	7 060	22 226
Transfers recognised - capital	-	-	-	-	-	-	-	-	-	-
Contributions recognised - capital & contributed assets	-	-	-	77 863	77 863	77 863	-	98 940	107 815	133 740
Surplus/(Deficit) after capital transfers & contributions	21 009	15 504	35 361	81 876	80 379	80 379	40 092	101 381	114 875	133 966
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year	21 009	15 504	35 361	81 876	80 379	80 379	40 092	101 381	114 875	133 966
Capital expenditure & funds sources										
Capital expenditure	41 495	42 448	61 469	81 863	87 970	87 970	22 227	104 831	118 753	56 620
Transfers recognised - capital	23 648	20 463	46 183	44 058	49 230	49 230	22 220	66 881	80 701	52 620
Public contributions & donations	-	1 618	-	33 804	33 804	33 804	-	30 550	34 100	-
Borrowing	1 363	4 748	507	2 000	2 000	2 000	-	2 000	2 000	2 000
Internally generated funds	3 650	1 057	1 702	2 000	794	794	8	400	1 952	2 000
Total sources of capital funds	28 661	27 885	48 391	81 863	85 829	85 829	22 227	99 831	118 753	56 620
Financial position										
Total current assets	189 820	99 763	125 559	145 130	285 515	285 515	-	196 918	263 368	-
Total non current assets	245 002	255 041	308 419	278 574	278 574	278 574	-	290 167	301 413	-
Total current liabilities	54 488	87 701	81 193	105 234	94 278	94 278	-	110 876	114 532	-
Total non current liabilities	19 897	24 459	60 101	34 906	34 906	34 906	-	42 377	52 087	-
Community wealth/Equity	-	-	-	-	-	-	-	-	-	-
Cash flows										
Net cash from (used) operating	51 531	20 206	82 939	74 925	74 925	74 925	-	74 115	36 006	-
Net cash from (used) investing	(48 130)	(32 966)	(72 420)	(66 173)	(66 173)	(66 173)	-	(65 325)	(66 422)	-
Net cash from (used) financing	(1 922)	(2 102)	(2 487)	(452)	(452)	(452)	-	(648)	(860)	-
Cash/cash equivalents at the year end	969	(13 893)	(5 861)	8 300	8 300	8 300	-	8 141	(23 135)	(23 135)
Cash backing/surplus reconciliation										
Cash and investments available	969	(13 892)	4 139	(5 964)	(5 964)	(5 964)	-	(5 962)	(5 960)	-
Application of cash and investments	(75 545)	2 498	(10 670)	(26 146)	(165 492)	(165 492)	-	(81 720)	(142 970)	-
Balance - surplus (shortfall)	76 514	(16 391)	14 809	20 182	159 528	159 528	-	75 758	137 010	-
Asset management										
Asset register summary (WDV)	4 968	4 752	5 310	5 092	5 092	5 092	5 328	5 328	5 572	-
Depreciation & asset impairment	20 166	28 152	27 270	6 614	13 647	13 647	5 481	5 481	4 794	5 055
Renewal of Existing Assets	1 348	292	3 226	-	-	-	-	-	-	-
Repairs and Maintenance	14 891	14 445	16 475	24 936	22 002	22 002	26 191	26 191	27 605	29 041
Free services										
Cost of Free Basic Services provided	0	0	-	0	0	0	0	0	0	-
Revenue cost of free services provided	-	33 333	-	35 279	34 241	34 241	24 264	24 264	37 327	-
Households below minimum service level										
Water:	-	2	-	2	2	2	2	2	2	-
Sanitation/sewerage:	-	1	-	1	1	1	1	1	1	-
Energy:	-	10	-	9	9	9	9	9	8	-
Refuse:	-	13	-	12	12	12	11	11	11	-

MP302 Msukaligwa - Table A2 Budgeted Financial Performance (revenue and expenditure by standard classification)

Standard Classification Description	Ref	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Revenue - Standard										
Municipal governance and administration		120 594	139 683	157 423	177 831	178 695	178 695	186 788	199 319	203 484
Executive and council		69 125	82 976	89 877	107 223	107 228	107 228	111 025	119 502	119 412
Mayor and Council		69 125	82 976	89 877	107 223	107 228	107 228	111 024	116 047	119 411
Municipal Manager		-	-	0	0	0	0	0	3 455	0
Budget and treasury office		49 067	55 574	66 051	68 755	69 508	69 508	73 755	77 700	81 842
Corporate services		2 402	1 132	1 495	1 853	1 959	1 959	2 008	2 117	2 231
Human Resources		376	333	713	908	908	908	959	1 011	1 065
Information Technology										
Property Services		2 026	795	781	945	1 051	1 051	1 049	1 106	1 166
Other Admin		(0)	3	1	-	-	-	-	-	-
Community and public safety		18 959	22 682	36 152	37 736	11 664	11 664	19 669	20 186	20 732
Community and social services		617	3 825	763	395	410	410	403	425	448
Libraries and Archives		349	1 765	326	57	73	73	46	49	52
Museums & Art Galleries etc										
Community halls and Facilities										
Cemeteries & Crematoriums		268	2 060	437	338	338	338	357	376	396
Child Care										
Aged Care										
Other Community		-	-	-	-	-	-	-	-	-
Other Social										
Sport and recreation		3 280	322	173	330	266	266	209	219	231
Public safety		13 744	16 665	34 040	7 759	7 773	7 773	8 427	8 882	9 362
Police										
Fire										
Civil Defence										
Street Lighting										
Other		13 744	16 665	34 040	7 759	7 773	7 773	8 427	8 882	9 362
Housing		1 319	1 871	1 176	29 252	3 215	3 215	10 629	10 659	10 691
Health		-	-	-	-	-	-	-	-	-
Clinics										
Ambulance										
Other		-	-	-	-	-	-	-	-	-
Economic and environmental services		1 158	2 344	3 204	3 837	3 777	3 777	3 631	3 815	4 021
Planning and development		886	961	1 540	1 806	1 746	1 746	1 406	1 470	1 550
Economic Development/Planning		1	4	1 520	1 806	1 746	1 746	1 406	1 470	1 550
Town Planning/Building enforcement		885	956	19	-	-	-	-	-	-
Licensing & Regulation										
Road transport		272	1 384	1 664	2 032	2 032	2 032	2 225	2 345	2 472
Roads										
Public Buses										
Parking Garages										
Vehicle Licensing and Testing										
Other		272	1 384	1 664	2 032	2 032	2 032	2 225	2 345	2 472
Environmental protection		-	-	-	-	-	-	-	-	-
Pollution Control										
Biodiversity & Landscape										
Other										
Trading services		163 471	185 443	214 424	239 420	227 682	227 682	262 894	277 090	292 053
Electricity		86 844	103 045	125 393	181 355	154 396	154 396	178 425	188 060	198 215
Electricity Distribution		86 844	103 045	125 393	161 355	154 396	154 396	178 425	188 060	198 215
Electricity Generation										
Water		40 964	44 782	46 977	41 927	33 385	33 385	41 432	43 669	46 028
Water Distribution		40 964	44 782	46 977	41 927	33 385	33 385	41 432	43 669	46 028
Water Storage										
Waste water management		22 749	22 537	25 877	18 347	20 948	20 948	22 667	23 891	25 181
Sewerage		22 749	22 537	25 877	18 347	20 948	20 948	22 667	23 891	25 181
Storm Water Management										
Public Toilets										
Waste management		12 915	15 078	16 177	17 792	18 953	18 953	20 370	21 470	22 630
Solid Waste		12 915	15 078	16 177	17 792	18 953	18 953	20 370	21 470	22 630
Other		68	0	185	252	200	200	211	223	235
Air Transport		66	0	185	252	200	200	211	223	235
Abattoirs										
Tourism		-	-	-	-	-	-	-	-	-
Forestry										
Markets										
Total Revenue - Standard	2	304 249	350 152	411 388	459 076	422 019	422 019	473 193	500 632	520 525
Expenditure - Standard										
Municipal governance and administration		69 274	73 370	89 502	104 526	85 662	85 662	95 517	99 585	105 173
Executive and council		17 204	17 944	19 439	31 621	23 625	23 625	24 083	25 249	26 885
Mayor and Council		14 436	15 626	13 669	15 633	16 407	16 407	17 510	17 402	18 249
Municipal Manager		2 767	2 318	5 770	15 988	7 218	7 218	6 573	7 847	8 636
Budget and treasury office		22 296	27 313	30 115	42 025	31 528	31 528	36 600	38 538	40 566
Corporate services		29 775	28 114	39 948	30 880	30 509	30 509	34 834	35 798	37 723
Human Resources		14 759	11 275	21 778	10 668	11 829	11 829	13 204	13 876	14 625
Information Technology										
Property Services		4 434	5 237	5 702	6 904	6 094	6 094	7 047	6 873	7 244
Other Admin		10 582	11 602	12 468	13 108	12 586	12 586	14 583	15 050	15 854

MP302 Msukaligwa - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)

Vote Description	Ref	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year - 2015/16
Revenue by Vote	1									
Vote 01 - Summary Department Town Engineer		69 185	78 555	100 941	62 587	56 607	56 607	66 579	70 175	73 96
Vote 02 - Summary Electricity		86 844	103 045	125 393	161 355	154 396	154 396	178 425	188 060	198 21
Vote 03 - Summary Department Public Safety		8 609	6 813	7 803	7 730	7 731	7 731	8 383	8 836	9 31
Vote 04 - Summary Department Community And Health		5 216	6 017	2 112	29 977	3 891	3 891	11 241	11 303	11 36
Vote 05 - Summary Department Corporate Services		15 317	16 210	17 672	19 645	20 912	20 912	22 378	23 587	24 86
Vote 06 - Summary Council General		70 011	83 937	91 416	109 028	108 973	108 973	112 431	120 972	120 96
Vote 07 - Summary Department Finance		49 067	55 574	66 051	68 755	69 508	69 508	73 755	77 700	81 84
Total Revenue by Vote	2	304 249	350 152	411 388	459 076	422 019	422 019	473 193	500 632	520 52
Expenditure by Vote to be appropriated	1									
Vote 01 - Summary Department Town Engineer		64 506	74 052	79 056	88 064	79 938	79 938	92 987	98 018	103 23
Vote 02 - Summary Electricity		92 977	119 684	137 379	180 360	168 625	168 625	185 768	194 280	204 76
Vote 03 - Summary Department Public Safety		19 920	27 580	29 396	33 154	36 099	36 099	38 629	40 715	42 91
Vote 04 - Summary Department Community And Health		15 860	16 558	17 701	18 772	19 339	19 339	22 208	23 407	24 62
Vote 05 - Summary Department Corporate Services		47 213	45 253	57 747	57 581	56 738	56 738	66 584	69 263	72 96
Vote 06 - Summary Council General		21 513	25 237	25 798	36 602	28 847	28 847	29 811	31 285	33 24
Vote 07 - Summary Department Finance		21 251	26 286	28 950	40 530	29 917	29 917	34 765	36 605	38 52
Total Expenditure by Vote	2	283 239	334 649	376 027	455 063	419 502	419 502	470 752	493 572	520 36
Surplus/(Deficit) for the year	2	21 009	15 504	35 361	4 013	2 516	2 516	2 441	7 060	22

References

1. Insert 'Vote'; e.g. department, if different to standard classification structure
2. Must reconcile to Budgeted Financial Performance (revenue and expenditure)
3. Assign share in 'associate' to relevant Vote

MP302 Msukaligwa - Table A4 Budgeted Financial Performance (revenue and expenditure)

2012/13 Medium Term Revenue & Expenditure Framework Performance (Revenue and Expenditure)									2013/14 Medium Term Revenue & Expenditure Framework		
Description	Ref	2009/10	2010/11	2011/12	Current Year 2012/13				Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome			
Revenue By Source											
Property rates	2	36 845	42 273	51 442	58 073	55 873	55 873	37 787	59 871	63 104	66 511
Property rates - penalties & collection charges											
Service charges - electricity revenue	2	80 440	99 563	117 676	155 454	149 646	149 646	99 756	168 609	177 713	187 311
Service charges - water revenue	2	17 614	22 676	18 229	24 711	21 896	21 896	14 258	23 549	24 821	26 161
Service charges - sanitation revenue	2	13 711	15 445	17 367	18 290	20 891	20 891	13 934	22 606	23 827	25 111
Service charges - refuse revenue	2	12 895	15 057	16 163	17 768	18 929	18 929	12 564	20 347	21 445	22 601
Service charges - other		2 409	2 802	3 613	4 006	4 741	4 741	2 692	6 320	10 116	7 022
Rental of facilities and equipment		1 249	1 296	1 535	1 871	1 931	1 931	1 108	1 985	2 091	2 201
Interest earned - external investments		772	741	589	416	416	416	317	500	527	551
Interest earned - outstanding debtors		6 554	8 135	10 124	7 373	10 373	10 373	7 815	10 373	10 933	11 521
Dividends received											
Fines		1 374	864	434	498	514	514	209	990	1 044	1 101
Licences and permits		3 031	2 062	2 310	2 303	2 303	2 303	1 010	2 410	2 540	2 671
Agency services		3 625	3 740	4 853	4 587	4 587	4 587	1 477	4 844	5 105	5 381
Transfers recognised - operational		69 162	86 102	93 528	110 532	110 532	110 532	72 207	114 617	119 796	123 301
Other revenue	2	53 649	47 934	72 779	24 447	16 689	16 689	5 543	26 098	27 495	28 981
Gains on disposal of PPE		918	1 465	745	28 748	2 700	2 700	972	10 075	10 075	10 071
Total Revenue (excluding capital transfers and contributions)		304 249	350 152	411 388	459 076	422 019	422 019	271 649	473 193	500 632	520 521
Expenditure By Type											
Employee related costs	2	90 371	102 932	112 313	138 089	122 443	122 443	81 918	143 264	151 995	160 391
Remuneration of councillors		6 946	7 464	9 010	9 682	9 682	9 682	6 460	10 649	11 224	11 831
Debt impairment	3	13 856	15 411	17 844	41 908	9 954	9 954	-	12 112	12 766	13 451
Depreciation & asset impairment	2	20 166	28 152	27 270	6 614	13 647	13 647	11 695	5 481	4 794	5 051
Finance charges		9 109	9 467	12 144	12 490	14 506	14 506	9 572	15 158	15 977	16 831
Bulk purchases	2	66 863	91 929	107 706	131 776	136 626	136 626	65 261	144 278	152 068	160 281
Other materials	8	26	50	48	73	81	81	45	90	95	101
Contracted services		12 524	17 264	18 346	23 935	29 150	29 150	13 641	29 088	29 605	31 201
Transfers and grants		21 987	24 614	25 677	37 917	26 272	26 272	17 676	46 661	49 143	51 741
Other expenditure	4, 5	41 392	37 365	45 717	52 579	57 141	57 141	25 288	63 972	65 906	69 401
Loss on disposal of PPE		-	-	(49)	0	0	0	-	-	-	-
Total Expenditure		283 239	334 649	376 027	455 063	419 502	419 502	231 556	470 752	493 572	520 301
Surplus/(Deficit)		21 009	15 504	35 361	4 013	2 516	2 516	40 092	2 441	7 060	221
Transfers recognised - capital	6	-	-	-	62 173	62 173	62 173	-	82 956	81 815	91 241
Contributions recognised - capital		-	-	-	15 690	15 690	15 690	-	15 984	26 000	42 501
Contributed assets		-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions		21 009	15 504	35 361	81 876	80 379	80 379	40 092	101 381	114 875	133 961
Taxation		-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after taxation		21 009	15 504	35 361	81 876	80 379	80 379	40 092	101 381	114 875	133 961
Attributable to minorities		13 554	9 444	(135)	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality		34 564	24 947	35 226	81 876	80 379	80 379	40 092	101 381	114 875	133 961
Share of surplus/ (deficit) of associate	7	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year		34 564	24 947	35 226	81 876	80 379	80 379	40 092	101 381	114 875	133 961

References

1. Classifications are revenue sources and expenditure type
2. Detail to be provided in Table SA1
3. Previously described as 'bad or doubtful debts' - amounts shown should reflect the change in the provision for debt impairment
4. Expenditure type components previously shown under repairs and maintenance should be allocated back to the originating expenditure group/item; e.g. employee costs
5. Repairs & maintenance detailed in Table A9 and Table SA34c
6. Contributions are funds provided by external organisations to assist with infrastructure development; e.g. developer contributions (detail to be provided in Table SA1)
7. Equity method

MP302 Msukaligwa - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description	Ref	2009/10	2010/11	2011/12	Current Year 2012/13				2013/14 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year + 2015/16
R thousand	1										
Revenue By Source											
Property rates	2	36 845	42 273	51 442	58 073	55 873	55 873	37 787	59 871	63 104	66 511
Property rates - penalties & collection charges											
Service charges - electricity revenue	2	80 440	99 563	117 676	155 454	149 646	149 646	99 756	168 609	177 713	187 310
Service charges - water revenue	2	17 614	22 676	18 229	24 711	21 896	21 896	14 258	23 549	24 821	26 161
Service charges - sanitation revenue	2	13 711	15 445	17 367	18 290	20 891	20 891	13 934	22 606	23 827	25 114
Service charges - refuse revenue	2	12 895	15 057	16 163	17 768	18 929	18 929	12 564	20 347	21 445	22 603
Service charges - other		2 409	2 802	3 613	4 006	4 741	4 741	2 692	6 320	10 116	7 021
Rental of facilities and equipment		1 249	1 296	1 535	1 871	1 931	1 931	1 108	1 985	2 091	2 204
Interest earned - external investments		772	741	589	416	416	416	317	500	527	553
Interest earned - outstanding debtors		6 554	8 135	10 124	7 373	10 373	10 373	7 815	10 373	10 933	11 523
Dividends received											
Fines		1 374	864	434	498	514	514	209	990	1 044	1 100
Licences and permits		3 031	2 062	2 310	2 303	2 303	2 303	1 010	2 410	2 540	2 677
Agency services		3 625	3 740	4 853	4 587	4 587	4 587	1 477	4 844	5 105	5 381
Transfers recognised - operational		69 162	86 102	93 528	110 532	110 532	110 532	72 207	114 617	119 796	123 305
Other revenue	2	53 649	47 934	72 779	24 447	16 689	16 689	5 543	26 098	27 495	28 980
Gains on disposal of PPE		918	1 465	745	28 748	2 700	2 700	972	10 075	10 075	10 075
Total Revenue (excluding capital transfers and contributions)		304 249	350 152	411 388	459 076	422 019	422 019	271 649	473 193	500 632	520 521
Expenditure By Type											
Employee related costs	2	90 371	102 932	112 313	138 089	122 443	122 443	81 918	143 264	151 995	160 393
Remuneration of councillors		6 946	7 464	9 010	9 682	9 682	9 682	6 460	10 649	11 224	11 830
Debt impairment	3	13 856	15 411	17 844	41 908	9 954	9 954	-	12 112	12 766	13 453
Depreciation & asset impairment	2	20 166	28 152	27 270	6 614	13 647	13 647	11 695	5 481	4 794	5 053
Finance charges		9 109	9 467	12 144	12 490	14 506	14 506	9 572	15 158	15 977	16 830
Bulk purchases	2	66 863	91 929	107 706	131 776	136 626	136 626	65 261	144 278	152 068	160 280
Other materials	8	26	50	48	73	81	81	45	90	95	100
Contracted services		12 524	17 264	18 346	23 935	29 150	29 150	13 641	29 088	29 605	31 204
Transfers and grants		21 987	24 614	25 677	37 917	26 272	26 272	17 676	46 661	49 143	51 743
Other expenditure	4, 5	41 392	37 365	45 717	52 579	57 141	57 141	25 288	63 972	65 906	69 400
Loss on disposal of PPE		-	-	(49)	0	0	0	-	-	-	-
Total Expenditure		283 239	334 649	376 027	455 063	419 502	419 502	231 556	470 752	493 572	520 301
Surplus/(Deficit)		21 009	15 504	35 361	4 013	2 516	2 516	40 092	2 441	7 060	22 220
Transfers recognised - capital	6	-	-	-	62 173	62 173	62 173	-	82 956	81 815	91 243
Contributions recognised - capital		-	-	-	15 690	15 690	15 690	-	15 984	26 000	42 500
Contributed assets		-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions		21 009	15 504	35 361	81 876	80 379	80 379	40 092	101 381	114 875	133 963
Taxation		-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after taxation		21 009	15 504	35 361	81 876	80 379	80 379	40 092	101 381	114 875	133 963
Attributable to minorities		13 554	9 444	(135)	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality		34 564	24 947	35 226	81 876	80 379	80 379	40 092	101 381	114 875	133 963
Share of surplus/ (deficit) of associate	7	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year		34 564	24 947	35 226	81 876	80 379	80 379	40 092	101 381	114 875	133 963

References

1. Classifications are revenue sources and expenditure type
2. Detail to be provided in Table SA1
3. Previously described as 'bad or doubtful debts' - amounts shown should reflect the change in the provision for debt impairment
4. Expenditure type components previously shown under repairs and maintenance should be allocated back to the originating expenditure group/item; e.g. employee costs
5. Repairs & maintenance detailed in Table A9 and Table SA34c
6. Contributions are funds provided by external organisations to assist with infrastructure development; e.g. developer contributions (detail to be provided in Table SA1)
7. Equity method

MP302 Msukaligwa - Table A5 Budgeted Capital Expenditure by vote, standard classification and funding

Vote Description	Ref	2009/10	2010/11	2011/12	Current Year 2012/13				2013/14 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
R thousand	1										
Capital expenditure - Vote											
Multi-year expenditure to be appropriated	2										
Vote 01 - Summary Department Town Engineer		—	—	19 971	2 000	8 897	8 897	5 989	14 605	11 016	9 227
Vote 02 - Summary Electricity		—	—	6 436	5 000	3 039	3 039	149	5 000	5 270	5 555
Vote 03 - Summary Department Public Safety		—	—	—	—	—	—	—	—	—	—
Vote 04 - Summary Department Community And Health		—	—	—	3 593	3 593	3 593	2 137	3 858	4 066	4 286
Vote 05 - Summary Department Corporate Services		—	—	—	—	—	—	—	—	—	—
Vote 06 - Summary Council General		—	—	—	—	—	—	—	—	—	—
Vote 07 - Summary Department Finance		—	—	—	—	—	—	—	—	—	—
Capital multi-year expenditure sub-total	7	—	—	26 407	10 593	15 530	15 530	8 275	23 463	20 352	19 067
Single-year expenditure to be appropriated	2										
Vote 01 - Summary Department Town Engineer		27 015	29 519	30 551	51 879	54 384	54 384	8 807	73 868	92 348	33 561
Vote 02 - Summary Electricity		4 543	4 286	1 889	15 390	15 531	15 531	5 141	5 100	2 100	—
Vote 03 - Summary Department Public Safety		739	3 581	—	—	50	50	4	—	—	—
Vote 04 - Summary Department Community And Health		3 437	3 660	415	500	50	50	—	—	552	—
Vote 05 - Summary Department Corporate Services		2 054	369	(1)	1 000	50	50	—	200	700	1 000
Vote 06 - Summary Council General		—	—	507	2 500	2 250	2 250	—	2 200	2 700	3 000
Vote 07 - Summary Department Finance		(0)	—	—	—	125	125	—	—	—	—
Capital single-year expenditure sub-total		37 787	41 414	33 359	71 269	72 440	72 440	13 952	81 368	98 400	37 561
Total Capital Expenditure - Vote		37 787	41 414	59 766	81 863	87 970	87 970	22 227	104 831	118 753	56 627
Capital Expenditure - Standard											
Governance and administration		3 736	394	1 246	3 500	2 425	2 425	—	2 400	3 400	4 000
Executive and council		977	272	507	2 500	2 250	2 250	—	2 200	2 700	3 000
Budget and treasury office		522	41	19	—	125	125	—	—	—	—
Corporate services		2 237	81	720	1 000	50	50	—	200	700	1 000
Community and public safety		10 073	17 268	27 420	43 708	52 755	52 755	12 378	41 008	53 656	17 391
Community and social services		346	3 514	438	2 735	2 785	2 785	2 137	3 000	3 162	3 331
Sport and recreation		3 398	204	—	858	858	858	—	858	904	951
Public safety		6 298	13 530	26 480	39 614	49 112	49 112	10 241	37 150	49 037	13 101
Housing		31	16	503	500	—	—	—	—	552	—
Health		—	3	—	—	—	—	—	—	—	—
Economic and environmental services		159	23	—	—	219	219	4	—	—	—
Planning and development		—	—	—	—	—	—	—	—	—	—
Road transport		159	23	—	—	219	219	4	—	—	—
Environmental protection		—	—	—	—	—	—	—	—	—	—
Trading services		27 527	24 763	32 803	34 655	32 570	32 570	9 846	61 423	61 697	35 231
Electricity		4 911	4 286	8 324	20 390	18 570	18 570	5 290	10 100	7 370	5 551
Water		12 807	11 028	16 136	14 265	12 000	12 000	4 556	43 018	41 398	29 671
Waste water management		8 940	8 888	8 344	—	2 000	2 000	—	8 305	12 929	—
Waste management		869	561	(1)	—	—	—	—	—	—	—
Other		—	—	—	—	—	—	—	—	—	—
Total Capital Expenditure - Standard	3	41 495	42 448	61 469	81 863	87 970	87 970	22 227	104 831	118 753	56 627
Funded by:											
National Government		23 290	20 136	46 153	44 058	49 230	49 230	22 220	66 881	80 701	52 627
Provincial Government		358	328	30	—	—	—	—	—	—	—
District Municipality		—	—	—	—	—	—	—	—	—	—
Other transfers and grants		—	—	—	—	—	—	—	—	—	—
Transfers recognised - capital	4	23 648	20 463	46 183	44 058	49 230	49 230	22 220	66 881	80 701	52 627
Public contributions & donations	5	—	1 618	—	33 804	33 804	33 804	—	30 550	34 100	—
Borrowing	6	1 363	4 748	507	2 000	2 000	2 000	—	2 000	2 000	2 000
Internally generated funds		3 650	1 057	1 702	2 000	794	794	8	400	1 952	2 000
Total Capital Funding	7	28 661	27 885	48 391	81 863	85 829	85 829	22 227	99 831	118 753	56 627

References

1. Municipalities may choose to appropriate for capital expenditure for three years or for one year (if one year appropriation projected expenditure required for yr2 and yr3).
2. Include capital component of PPP unitary payment. Note that capital transfers are only appropriated to municipalities for the budget year
3. Capital expenditure by standard classification must reconcile to the appropriations by vote
4. Must reconcile to supporting table SA20 and to Budgeted Financial Performance (revenue and expenditure)
5. Must reconcile to Budgeted Financial Performance (revenue and expenditure)
6. Include finance leases and PPP capital funding component of unitary payment - total borrowing/repayments to reconcile to changes in Table SA17
7. Total Capital Funding must balance with Total Capital Expenditure
8. Include any capitalised interest (MFMA section 46) as part of relevant capital budget

MP302 Msukaligwa - Table A6 Budgeted Financial Position

2013/14 Medium Term Revenue & Expenditure Framework									2013/14 Medium Term Revenue & Expenditure Framework		
Description	Ref	2009/10	2010/11	2011/12	Current Year 2012/13				Budget Year 2013/14	Budget Year +1 2014/15	Budget Year + 2015/16
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome			
ASSETS											
Current assets											
Cash		969	33	33	36	36	36	-	38	40	-
Call investment deposits	1	-	-	10 000	-	-	-	-	-	-	-
Consumer debtors	1	162 932	59 993	71 189	103 596	243 981	243 981	-	152 083	214 371	-
Other debtors		14 402	14 929	18 447	21 498	21 498	21 498	-	25 797	30 957	-
Current portion of long-term receivables		-	-	-	-	-	-	-	-	-	-
Inventory	2	11 518	24 809	25 890	20 000	20 000	20 000	-	19 000	18 000	-
Total current assets		189 820	99 763	125 559	145 130	285 515	285 515	-	196 918	263 368	-
Non current assets											
Long-term receivables											
Investments											
Investment property		4 526	4 522	4 561	5 028	5 028	5 028	-	5 295	5 554	-
Investment in Associate											
Property, plant and equipment	3	240 034	250 288	303 109	273 482	273 482	273 482	-	284 839	295 842	-
Agricultural											
Biological											
Intangible		442	230	749	64	64	64	-	33	18	-
Other non-current assets											
Total non current assets		245 002	255 041	308 419	278 574	278 574	278 574	-	290 167	301 413	-
TOTAL ASSETS		434 822	354 804	433 978	423 705	564 089	564 089	-	487 086	564 781	-
LIABILITIES											
Current liabilities											
Bank overdraft	1	-	13 925	5 894	6 000	6 000	6 000	-	6 000	6 000	-
Borrowing	4	2 012	2 204	3 182	3 404	3 404	3 404	-	4 204	5 004	-
Consumer deposits		5 685	6 331	7 008	7 661	7 661	7 661	-	8 427	9 269	-
Trade and other payables	4	38 319	55 388	65 109	77 213	77 213	77 213	-	80 708	82 156	-
Provisions		8 472	9 853	-	10 956	-	-	-	11 537	12 102	-
Total current liabilities		54 488	87 701	81 193	105 234	94 278	94 278	-	110 876	114 532	-
Non current liabilities											
Borrowing		3 376	5 717	5 488	11 366	11 366	11 366	-	16 026	22 596	-
Provisions		16 521	18 742	54 613	23 540	23 540	23 540	-	26 351	29 491	-
Total non current liabilities		19 897	24 459	60 101	34 906	34 906	34 906	-	42 377	52 087	-
TOTAL LIABILITIES		74 385	112 160	141 294	140 140	129 184	129 184	-	153 253	166 619	-
NET ASSETS	5	360 437	242 644	292 684	283 564	434 905	434 905	-	333 833	398 162	-
COMMUNITY WEALTH/EQUITY											
Accumulated Surplus/(Deficit)											
Reserves	4	-	-	-	-	-	-	-	-	-	-
Minorities' interests											
TOTAL COMMUNITY WEALTH/EQUITY	5	-	-	-	-	-	-	-	-	-	-

References

1. Detail to be provided in Table SA3
2. Include completed low cost housing to be transferred to beneficiaries within 12 months
3. Include 'Construction-work-in-progress' (disclosed separately in annual financial statements)
4. Detail to be provided in Table SA3. Includes reserves to be funded by statute.
5. Net assets must balance with Total Community Wealth/Equity

MP302 Msukaligwa - Table A7 Budgeted Cash Flows

Description	Ref	2009/10	2010/11	2011/12	Current Year 2012/13				2013/14 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
R thousand											
CASH FLOW FROM OPERATING ACTIVITIES											
Receipts											
Ratepayers and other		161 012	191 049	237 110	296 967	296 967	296 967	-	344 482	361 361	-
Government - operating	1	78 489	86 435	96 846	110 532	110 532	110 532	-	117 416	128 336	-
Government - capital	1	27 473	20 462	41 703	44 058	44 058	44 058	-	45 563	44 903	-
Interest		7 666	9 201	10 713	10 952	10 952	10 952	-	12 376	13 985	-
Dividends											
Payments											
Suppliers and employees		(223 098)	(286 931)	(302 787)	(387 572)	(387 572)	(387 572)	-	(445 708)	(512 564)	-
Finance charges		(11)	(10)	(647)	(13)	(13)	(13)	-	(14)	(16)	-
Transfers and Grants	1										
NET CASH FROM/(USED) OPERATING ACTIVITIES		51 531	20 206	82 939	74 925	74 925	74 925	-	74 115	36 006	-
CASH FLOWS FROM INVESTING ACTIVITIES											
Receipts											
Proceeds on disposal of PPE		-	-	-	-	-	-	-	-	-	-
Decrease (Increase) in non-current debtors											
Decrease (increase) other non-current receivables											
Decrease (increase) in non-current investments		-	-	279	-	-	-	-	-	-	-
Payments											
Capital assets		(48 130)	(32 966)	(72 699)	(66 173)	(66 173)	(66 173)	-	(65 325)	(66 422)	-
NET CASH FROM/(USED) INVESTING ACTIVITIES		(48 130)	(32 966)	(72 420)	(66 173)	(66 173)	(66 173)	-	(65 325)	(66 422)	-
CASH FLOWS FROM FINANCING ACTIVITIES											
Receipts											
Short term loans		-	-	-	2 000	2 000	2 000	-	2 000	2 000	-
Borrowing long term/refinancing											
Increase (decrease) in consumer deposits		601	646	-	754	754	754	-	814	879	-
Payments											
Repayment of borrowing		(2 522)	(2 748)	(2 487)	(3 206)	(3 206)	(3 206)	-	(3 462)	(3 739)	-
NET CASH FROM/(USED) FINANCING ACTIVITIES		(1 922)	(2 102)	(2 487)	(452)	(452)	(452)	-	(648)	(860)	-
NET INCREASE/ (DECREASE) IN CASH HELD											
Cash/cash equivalents at the year begin:	2	1 479	(14 862)	8 032	8 300	8 300	8 300	-	8 141	(31 276)	-
Cash/cash equivalents at the year end:	2	(510)	969	(13 893)	-	-	-	-	-	8 141	(23 135)
Cash/cash equivalents at the year end:	2	969	(13 893)	(5 861)	8 300	8 300	8 300	-	8 141	(23 135)	(23 135)

References

1. Local/District municipalities to include transfers from/to District/Local Municipalities
2. Cash equivalents includes investments with maturities of 3 months or less

MP302 Msukaligwa - Table A8 Cash backed reserves/accumulated surplus reconciliation

Description	Ref	2009/10	2010/11	2011/12	Current Year 2012/13				2013/14 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
R thousand											
Cash and investments available											
Cash/cash equivalents at the year end	1	969	(13 893)	(5 861)	8 300	8 300	8 300	-	8 141	(23 135)	(23 135)
Other current investments > 90 days		-	0	10 000	(14 264)	(14 264)	(14 264)	-	(14 103)	17 175	23 135
Non current assets - Investments	1	-	-	-	-	-	-	-	-	-	-
Cash and investments available:		969	(13 892)	4 139	(5 964)	(5 964)	(5 964)	-	(5 962)	(5 960)	-
Application of cash and investments											
Unspent conditional transfers		7 793	17 803	11 902	44 058	44 058	44 058	-	45 563	44 903	-
Unspent borrowing		-	-	-	2 000	2 000	2 000	-	2 106	2 209	-
Statutory requirements	2	-	-	-	-	-	-	-	-	-	-
Other working capital requirements	3	(91 810)	(25 157)	(22 572)	(83 160)	(222 506)	(222 506)	-	(140 936)	(202 195)	-
Other provisions		8 472	9 853	-	10 955	10 955	10 955	-	11 547	12 113	-
Long term investments committed	4	-	-	-	-	-	-	-	-	-	-
Reserves to be backed by cash/investments	5	-	-	-	-	-	-	-	-	-	-
Total Application of cash and investments:		(75 545)	2 498	(10 670)	(26 146)	(165 492)	(165 492)	-	(81 720)	(142 970)	-
Surplus(shortfall)		76 514	(16 391)	14 809	20 182	159 528	159 528	-	75 758	137 010	-

References

1. Must reconcile with Budgeted Cash Flows
2. For example: VAT, taxation
3. Council approval for policy required - include sufficient working capital (e.g. allowing for a % of current debtors > 90 days as uncollectable)
4. For example: sinking fund requirements for borrowing
5. Council approval required for each reserve created and basis of cash backing of reserves

MP302 Msukaligwa - Table A9 Asset Management

Description		Ref	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
R thousand			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
CAPITAL EXPENDITURE											
Total New Assets		1	36 096	41 122	56 540	78 269	84 376	84 376	100 973	114 686	52 341
Infrastructure - Road transport			1 574	8 817	21 392	39 614	49 012	49 012	37 150	49 037	13 109
Infrastructure - Electricity			4 361	3 933	8 324	20 390	18 570	18 570	10 100	7 370	5 555
Infrastructure - Water			12 781	9 958	16 040	14 265	12 000	12 000	38 518	36 655	24 678
Infrastructure - Sanitation			8 940	8 631	5 145	-	2 000	2 000	12 805	17 672	4 999
Infrastructure - Other			-	-	-	-	-	-	-	-	-
Infrastructure			27 656	31 339	50 901	74 269	81 582	81 582	98 573	110 734	48 341
Community			4 062	2 249	149	-	-	-	-	-	-
Heritage assets			-	-	-	-	-	-	-	-	-
Investment properties			-	-	-	-	-	-	-	-	-
Other assets		6	4 378	7 535	5 490	4 000	2 794	2 794	2 400	3 952	4 000
Agricultural Assets			-	-	-	-	-	-	-	-	-
Biological assets			-	-	-	-	-	-	-	-	-
Intangibles			-	-	-	-	-	-	-	-	-
Total Renewal of Existing Assets		2	1 348	292	3 226	-	-	-	-	-	-
Infrastructure - Road transport			-	-	-	-	-	-	-	-	-
Infrastructure - Electricity			-	-	-	-	-	-	-	-	-
Infrastructure - Water			-	-	-	-	-	-	-	-	-
Infrastructure - Sanitation			-	274	3 226	-	-	-	-	-	-
Infrastructure - Other			-	-	-	-	-	-	-	-	-
Infrastructure			-	274	3 226	-	-	-	-	-	-
Community			1 348	18	-	-	-	-	-	-	-
Heritage assets			-	-	-	-	-	-	-	-	-
Investment properties			-	-	-	-	-	-	-	-	-
Other assets		6	-	-	-	-	-	-	-	-	-
Agricultural Assets			-	-	-	-	-	-	-	-	-
Biological assets			-	-	-	-	-	-	-	-	-
Intangibles			-	-	-	-	-	-	-	-	-
Total Capital Expenditure		4									
Infrastructure - Road transport			1 574	8 817	21 392	39 614	49 012	49 012	37 150	49 037	13 109
Infrastructure - Electricity			4 361	3 933	8 324	20 390	18 570	18 570	10 100	7 370	5 555
Infrastructure - Water			12 781	9 958	16 040	14 265	12 000	12 000	38 518	36 655	24 678
Infrastructure - Sanitation			8 940	8 904	8 371	-	2 000	2 000	12 805	17 672	4 999
Infrastructure - Other			-	-	-	-	-	-	-	-	-
Infrastructure			27 656	31 612	54 127	74 269	81 582	81 582	98 573	110 734	48 341
Community			5 409	2 267	149	-	-	-	-	-	-
Heritage assets			-	-	-	-	-	-	-	-	-
Investment properties			-	-	-	-	-	-	-	-	-
Other assets			4 378	7 535	5 490	4 000	2 794	2 794	2 400	3 952	4 000
Agricultural Assets			-	-	-	-	-	-	-	-	-
Biological assets			-	-	-	-	-	-	-	-	-
Intangibles			-	-	-	-	-	-	-	-	-
TOTAL CAPITAL EXPENDITURE - Asset class		2	37 444	41 414	59 766	78 269	84 376	84 376	100 973	114 686	52 341
ASSET REGISTER SUMMARY - PPE (WDV)		5									
Infrastructure - Road transport			-	-	-	-	-	-	-	-	-
Infrastructure - Electricity			-	-	-	-	-	-	-	-	-
Infrastructure - Water			-	-	-	-	-	-	-	-	-
Infrastructure - Sanitation			-	-	-	-	-	-	-	-	-
Infrastructure - Other			-	-	-	-	-	-	-	-	-
Infrastructure			-	-	-	-	-	-	-	-	-
Community			-	-	-	-	-	-	-	-	-
Heritage assets			-	-	-	-	-	-	-	-	-
Investment properties			4 526	4 522	4 561	5 028	5 028	5 028	5 295	5 554	-
Other assets			-	-	-	-	-	-	-	-	-
Agricultural Assets			-	-	-	-	-	-	-	-	-
Biological assets			-	-	-	-	-	-	-	-	-
Intangibles			442	230	749	64	64	64	33	18	-
TOTAL ASSET REGISTER SUMMARY - PPE (WDV)		5	4 968	4 752	5 310	5 092	5 092	5 092	5 328	5 572	-
EXPENDITURE OTHER ITEMS											
Depreciation & asset impairment			20 166	28 152	27 270	6 614	13 647	13 647	5 481	4 794	5 053
Repairs and Maintenance by Asset Class		3	14 891	14 445	16 475	24 936	22 002	22 002	26 191	27 605	29 049
Infrastructure - Road transport			2 173	831	1 079	4 686	2 536	2 536	3 302	3 480	3 668
Infrastructure - Electricity			4 432	5 429	5 565	7 219	7 479	7 479	7 898	8 325	8 774
Infrastructure - Water			1 672	1 340	1 933	2 440	3 355	3 355	3 464	3 651	3 848
Infrastructure - Sanitation			340	888	620	855	793	793	837	883	930
Infrastructure - Other			432	1 041	1 018	1 345	1 349	1 349	1 473	1 552	1 636
Infrastructure			9 049	9 529	10 214	16 745	15 513	15 513	16 974	17 891	18 857
Community			489	303	337	600	418	418	581	612	599
Heritage assets			-	-	-	-	-	-	-	-	-
Investment properties			-	-	-	-	-	-	-	-	-
Other assets		6, 7	5 353	4 613	5 924	7 591	6 071	6 071	8 636	9 103	9 594
TOTAL EXPENDITURE OTHER ITEMS			35 056	42 598	43 745	31 550	35 648	35 648	31 672	32 399	34 102
Renewal of Existing Assets as % of total capex			3.6%	0.7%	5.4%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Renewal of Existing Assets as % of deprecn"			6.7%	1.0%	11.8%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
R&M as a % of PPE			6.2%	5.8%	5.4%	9.1%	8.0%	8.0%	9.2%	9.3%	0.0%
Renewal and R&M as a % of PPE			327.0%	310.0%	371.0%	490.0%	432.0%	432.0%	492.0%	495.0%	0.0%

References

- Detail of new assets provided in Table SA34a
- Detail of renewal of existing assets provided in Table SA34b
- Detail of Repairs and Maintenance by Asset Class provided in Table SA34c
- Must reconcile to total capital expenditure on Budgeted Capital Expenditure
- Must reconcile to 'Budgeted Financial Position' (written down value)
- Donated/contributed and assets funded by finance leases to be allocated to the respective category

MP302 Msukaligwa - Table A10 Basic service delivery measurement

Description	Ref	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Household service targets	1									
Water:										
Piped water inside dwelling		-	27 727	-	29 362	29 362	29 362	30 948	32 464	-
Piped water inside yard (but not in dwelling)		-	7 475	-	7 916	7 916	7 916	8 343	8 752	-
Using public tap (at least min.service level)	2	-	2 938	-	2 764	2 764	2 764	2 615	2 487	-
Other water supply (at least min.service level)	4	-	353	-	332	332	332	314	297	-
Minimum Service Level and Above sub-total		-	38 493	-	40 374	40 374	40 374	42 220	44 000	-
Using public tap (< min.service level)	3	-	-	-	-	-	-	-	-	-
Other water supply (< min.service level)	4	-	1 688	-	1 588	1 588	1 588	1 502	1 429	-
No water supply		-	369	-	347	347	347	328	312	-
Below Minimum Service Level sub-total		-	2 057	-	1 935	1 935	1 935	1 830	1 741	-
Total number of households	5	-	40 550	-	42 309	42 309	42 309	44 050	45 741	-
Sanitation/sewerage:										
Flush toilet (connected to sewerage)		-	29 979	-	31 747	31 747	31 747	33 462	35 101	-
Flush toilet (with septic tank)		-	992	-	1 050	1 050	1 050	1 107	1 161	-
Chemical toilet		-	428	-	453	453	453	477	501	-
Pit toilet (ventilated)		-	6 508	-	6 891	6 891	6 891	7 264	7 620	-
Other toilet provisions (> min.service level)		-	106	-	112	112	112	118	124	-
Minimum Service Level and Above sub-total		-	38 013	-	40 253	40 253	40 253	42 428	44 507	-
Bucket toilet		-	69	-	64	-	-	61	58	-
Other toilet provisions (< min.service level)		-	-	-	-	-	-	-	-	-
No toilet provisions		-	1 314	-	1 236	1 236	1 236	1 169	1 227	-
Below Minimum Service Level sub-total		-	1 383	-	1 300	1 236	1 236	1 230	1 285	-
Total number of households	5	-	39 396	-	41 553	41 489	41 489	43 658	45 792	-
Energy:										
Electricity (at least min.service level)		-	12 766	-	13 519	13 519	13 519	14 249	14 947	-
Electricity - prepaid (min.service level)		-	16 379	-	17 345	17 345	17 345	18 282	19 177	-
Minimum Service Level and Above sub-total		-	29 145	-	30 864	30 864	30 864	32 531	34 124	-
Electricity (< min.service level)		-	-	-	-	-	-	-	-	-
Electricity - prepaid (< min.service level)		-	-	-	-	-	-	-	-	-
Other energy sources		-	9 717	-	9 143	9 143	9 143	8 649	8 226	-
Below Minimum Service Level sub-total		-	9 717	-	9 143	9 143	9 143	8 649	8 226	-
Total number of households	5	-	38 862	-	40 007	40 007	40 007	41 180	42 350	-
Refuse:										
Removed at least once a week		-	26 216	-	27 762	27 762	27 762	29 261	30 695	-
Minimum Service Level and Above sub-total		-	26 216	-	27 762	27 762	27 762	29 261	30 695	-
Removed less frequently than once a week		-	-	-	-	-	-	-	-	-
Using communal refuse dump		-	334	-	314	314	314	297	282	-
Using own refuse dump		-	10 404	-	9 790	9 790	9 790	9 261	8 807	-
Other rubbish disposal		-	-	-	-	-	-	-	-	-
No rubbish disposal		-	1 807	-	1 700	1 700	1 700	1 608	1 529	-
Below Minimum Service Level sub-total		-	12 545	-	11 804	11 804	11 804	11 168	10 618	-
Total number of households	5	-	38 761	-	39 568	39 568	39 568	40 427	41 313	-
Households receiving Free Basic Service	7									
Water (6 kilolitres per household per month)		-	38 862	-	41 154	41 154	41 154	43 377	45 502	-
Sanitation (free minimum level service)		-	9 002	-	11 000	11 000	11 000	11 000	11 000	-
Electricity/other energy (50kwh per household per month)		-	9 002	-	11 000	11 000	11 000	11 000	11 000	-
Refuse (removed at least once a week)		-	9 002	-	11 000	11 000	11 000	11 000	11 000	-
Cost of Free Basic Services provided (R'000)	8									
Water (6 kilolitres per household per month)		0	0	-	0	0	0	0	0	-
Sanitation (free sanitation service)		-	0	-	0	0	0	0	0	-
Electricity/other energy (50kwh per household per month)		0	0	-	0	0	0	0	0	-
Refuse (removed once a week)		-	0	-	0	0	0	0	0	-
Total cost of FBS provided (minimum social package)		0	0	-	0	0	0	0	0	-
Highest level of free service provided										
Property rates (R value threshold)		15 000	-	-	15 000	15 000	15 000	15 000	15 000	-
Water (kilolitres per household per month)		-	-	-	6 000	6 000	6 000	6 000	6 000	-
Sanitation (kilolitres per household per month)		-	6 000	-	6 000	6 000	6 000	6 000	6 000	-
Sanitation (Rand per household per month)		-	-	-	61	66	66	68	77	-
Electricity (kwh per household per month)		-	20	-	20	38	38	20	20	-
Refuse (average litres per week)		-	85	-	85	85	85	85	85	-
Revenue cost of free services provided (R'000)	9									
Property rates (R15 000 threshold rebate)		-	1 045	-	1 154	115	115	1 211	1 272	-
Property rates (other exemptions, reductions and rebates)		-	3 688	-	3 344	3 344	3 344	3 521	3 694	-
Water		-	12 355	-	13 255	13 255	13 255	1 335	13 415	-
Sanitation		-	6 299	-	6 729	6 729	6 729	6 951	7 180	-
Electricity/other energy		-	4 092	-	4 225	4 225	4 225	4 292	4 361	-
Refuse		-	5 853	-	6 573	6 573	6 573	6 954	7 406	-
Municipal Housing - rental rebates		-	-	-	-	-	-	-	-	-
Housing - top structure subsidies		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Total revenue cost of free services provided (total social package)	6	-	33 333	-	35 279	34 241	34 241	24 284	37 327	-

References

1. Include services provided by another entity; e.g. Eskom
2. Stand distance <= 200m from dwelling
3. Stand distance > 200m from dwelling
4. Borehole, spring, rain-water tank etc.
5. Must agree to total number of households in municipal area
6. Include value of subsidy provided by municipality above provincial subsidy level
7. Show number of households receiving at least these levels of services completely free
8. Must reflect the cost to the municipality of providing the Free Basic Service

MP302 Msekaligwa - Supporting Table SA1 Supporting detail to 'Budgeted Financial Performance'

Description	Rat	2009/10	2010/11	2011/12	Current Year 2012/13				2013/14 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
R thousand											
REVENUE ITEMS:											
Property rates											
Total Property Rates	6	40 974	45 951	54 528	61 417	59 217	59 217	39 341	62 333	65 059	69 247
Less Revenue Foregone		4 130	3 028	3 096	3 344	3 344	3 344	1 554	2 462	2 595	2 726
Net Property Rates		36 845	42 923	51 432	58 073	55 873	55 873	37 787	59 871	62 464	66 521
Service charges - electricity revenue											
Total Service charges - electricity revenue	5	80 440	89 583	117 678	155 454	149 646	149 646	99 756	168 629	177 713	187 310
Less Revenue Foregone											
Net Service charges - electricity revenue		80 440	89 583	117 678	155 454	149 646	149 646	99 756	168 629	177 713	187 310
Service charges - water revenue											
Total Service charges - water revenue	6	17 814	22 678	18 229	24 711	21 896	21 896	14 258	23 546	24 821	26 181
Less Revenue Foregone											
Net Service charges - water revenue		17 814	22 678	18 229	24 711	21 896	21 896	14 258	23 546	24 821	26 181
Service charges - sanitation revenue											
Total Service charges - sanitation revenue		13 711	15 445	17 367	18 290	20 891	20 891	13 834	22 806	23 827	25 114
Less Revenue Foregone											
Net Service charges - sanitation revenue		13 711	15 445	17 367	18 290	20 891	20 891	13 834	22 806	23 827	25 114
Service charges - refuse revenue											
Total refuse removal revenue	6	12 856	15 067	16 163	17 768	18 929	18 929	12 564	20 347	21 445	22 603
Total landfill revenue											
Less Revenue Foregone											
Net Service charges - refuse revenue		12 856	15 067	16 163	17 768	18 929	18 929	12 564	20 347	21 445	22 603
Other Revenue by source											
Administration Fees		15 048	12 929	12 229	23 810	15 977	15 977	5 102	26 400	26 772	28 218
Commission On Insurance Premiums		63	78	87	88	88	88	55	90	95	100
Royalties Received		113	2	2	2	2	2	1	2	2	2
Monies Received Unallocated		2 000	2 814	1 723	508	422	422	385	606	670	660
Transfer Received - Capital		36 425	32 411	58 738							
Total Other Revenue	1	53 640	47 934	72 779	24 467	16 689	16 689	5 543	26 698	27 465	28 960
EXPENDITURE ITEMS:											
Employee related costs											
Basic Salaries and Wages	2	58 551	66 267	72 557	59 824	79 949	79 949	52 723	95 341	101 408	107 249
Pension and UIF Contributions		15 959	18 542	20 509	24 733	22 763	22 763	15 010	25 222	27 048	29 053
Medical Aid Contributions											
Overtime		8 251	9 720	9 479	7 824	6 542	6 542	7 054	10 003	10 543	11 113
Performance Bonus		-	-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance		4 172	4 847	5 789	5 314	6 063	6 063	4 064	6 537	6 967	7 257
Cellphone Allowance		-	-	-	-	-	-	-	-	-	-
Housing Allowance		-	-	-	-	-	-	-	-	-	-
Other benefits and allowances		-	-	-	-	-	-	-	-	-	-
Payments in lieu of leave		2 693	2 610	2 629	3 162	3 612	3 612	2 256	3 814	4 020	4 237
Long service awards		-	-	-	-	-	-	-	-	-	-
Post-retirement benefit obligations		-	-	-	-	-	-	-	-	-	-
sub-total	4	79	857	1 024	1 232	1 115	1 115	742	1 326	1 408	1 484
Less: Employees costs capitalised to PPE	5	90 371	102 932	112 313	138 089	122 443	122 443	81 918	143 254	151 665	160 393
Total Employee related costs	1	90 371	102 932	112 313	138 089	122 443	122 443	81 918	143 254	151 665	160 393
Contributions recognised - capital											
Other		-	-	-	-	-	-	-	-	-	-
Imp		-	-	-	28 308	38 308	38 308	-	42 257	46 655	49 896
Eng		-	-	-	5 700	5 700	5 700	-	21 571	15 000	20 000
Direct Municipality		-	-	-	18 114	18 114	18 114	-	19 128	20 150	21 249
Total Contributions recognised - capital		-	-	-	62 173	62 173	62 173	-	62 995	67 815	71 249
Depreciation & asset impairment											
Depreciation of Property, Plant & Equipment		20 166	28 152	27 270	6 614	13 647	13 647	11 695	5 481	4 794	5 053
Lease amortisation		-	-	-	-	-	-	-	-	-	-
Capital asset impairment		-	-	-	-	-	-	-	-	-	-
Depreciation resulting from revaluation of PPE	10	-	-	-	-	-	-	-	-	-	-
Total Depreciation & asset impairment	1	20 166	28 152	27 270	6 614	13 647	13 647	11 695	5 481	4 794	5 053
Bulk purchases											
Electricity Bulk Purchases		66 410	90 365	106 687	129 676	131 726	131 726	62 270	139 103	146 615	154 532
Water Bulk Purchases		453	1 364	1 019	1 800	4 000	4 000	2 991	5 174	5 454	5 745
Total bulk purchases	1	66 863	91 729	107 706	131 776	135 726	135 726	65 261	144 277	152 069	160 277
Transfers and grants											
Cash transfers and grants		-	-	-	-	-	-	-	-	-	-
Non-cash transfers and grants		-	-	-	-	-	-	-	-	-	-
Total transfers and grants	1	-	-	-	-	-	-	-	-	-	-
Contracted services											
Pretoria Waterworks Co-ops		589	-	-	20	30	30	18	30	33	36
Business Connection		1 822	3 175	4 324	4 249	4 449	4 449	2 701	4 618	5 219	5 494
Various		1 590	1 027	2 369	3 363	3 754	3 754	1 336	3 879	3 094	3 198
Albany		2 343	4 302	3 015	6 736	4 996	4 996	703	5 075	5 354	5 643
Kgo Investments Co A.C.B.U.		4 765	7 179	7 052	8 048	12 782	12 782	7 411	12 022	12 671	13 356
Focus Forms		-	-	-	-	-	-	-	-	-	-
Water Recycling Services		1 478	1 560	1 585	1 500	3 200	3 200	1 472	3 378	3 576	3 754
sub-total	1	13 534	17 264	18 346	23 935	29 150	29 150	13 641	29 088	29 905	31 204
Allocations to organs of state:											
Electricity		-	-	-	-	-	-	-	-	-	-
Water		-	-	-	-	-	-	-	-	-	-
Sanitation		-	-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-	-
Total contracted services		13 534	17 264	18 346	23 935	29 150	29 150	13 641	29 088	29 905	31 204
Other Expenditure By Type											
Collection costs											
Contributions to 'other' provisions		5 558	2 221	11 966	-	-	-	-	-	-	-
Consultant fees		1 233	1 547	619	750	750	750	19	751	791	834
Audit fees		-	-	-	-	-	-	-	-	-	-
General expenses	8	(1 263)	(1 458)	(3 357)	(1 816)	(543)	(543)	(3 272)	(607)	(717)	(756)
Advertising		485	528	136	250	270	270	104	285	317	300
Cleaning		204	347	314	424	387	387	197	414	436	460
Computer Expenses		7	26	1	21	21	21	1	25	26	28
Consumables		82	66	53	86	73	73	20	79	83	88
Donations		47	39	5	38	38	38	6	29	31	21
Entertainment		409	346	333	244	242	242	172	267	319	330
Insurance		1 188	1 561	1 259	1 575	1 375	1 375	946	1 452	1 530	1 613
Charitable Aid Seminars		565	1 156	1 128	1 244	1 368	1 368	892	1 428	1 505	1 585
Lease		77	23	13	43	43	43	11	44	47	48
Allegations, Suits & Penalties		8	10	2	6	5	5	3	8	6	6
Miscellaneous Expenses		11	(1)	-	29	29	29	0	21	22	23
Motor Vehicle Expenses		3 242	3 303	4 208	4 080	5 229	5 229	3 634	5 818	6 130	6 461
Fuel & Oil		187	162	215	204	312	312	202	332	350	369
Postage & Courier		709	850	823	1 100	1 091	1 091	605	1 166	1 228	1 295
Printing & Stationery		474	680	726	841	1 220	1 220	902	1 515	1 638	1 727
Provisions		-	-	5	16	11	11	2	8	8	9
Project Maintenance Costs		362	311	192	305	185	185	23	103	200	214
Research & Development Costs		296	302	700	921	906	906	563	997	1 009	1 063
Subscriptions & Membership Fees		527	541	891	584	1 438	1 438	965	1 519	1 601	1 687
Telephone & Fax		1 023	756	583	470	620	620	440	639	673	710
Training		1 418	1 460	1 345	1 549	2 167	2 167	1 234	2 308	2 433	2 564
Refuse		285	229	(1 928)	262	274	274	182	269	306	321
Electricity		5 303	4 873	5 451	9 434	6 826	6 826	4 547	8 654	7 091	8 012
Water		317	273	308	387	1 071	1 071	399	1 131	1 192	1 256
Utilities		456	408	454	701	605	605	333	601	639	689
Repairs & Maintenance		14 308	13 663	15 488	23 875	20 495	20 495	9 872	24 579	25 506	27 256
Chemicals		2 144	1 776	1 971	2 506	2 467	2 467	1 300	2 628	2 770	2 919
Other Expenditure		1 432	1 181	1 585	1 785	8 048	8 048	812	7 167	7 543	7 961
Total Other Expenditure	1	41 392	37 365	45 717	52 579	57 141	57 141	25 288	63 972	65 906	69 406
By Expenditure Item											
Employee related costs	8	-	-	-	-	-	-	-	-	-	-
Other materials		-	-	-	-	-	-	-	-	-	-
Contracted Services		36	36	33	40	-	-	-	42	44	-
Other Expenditure		14 816	14 409	16 462	24 806	22 002	22 002	10 516	26 146	27 561	29 048
Total Refused and Maintenance Expenditure	9	14 851	14 445	16 475	24 896	22 002	22 002	10 516	26 181	27 595	29 048

MP302 Msukaligwa - Supporting Table SA2 Matrix Financial Performance Budget (revenue source/expenditure type and dept.)

Description	Ref	Vote 01 - Summary Department Town Engineer	Vote 02 - Summary Electricity	Vote 03 - Summary Department Public Safety	Vote 04 - Summary Department Community And Health	Vote 05 - Summary Department Corporate Services	Vote 06 - Summary Council General	Vote 07 - Summary Department Finance	Total
R thousand	1								
Revenue By Source									
Property rates		-	78	-	-	-	-	59 793	59 871
Property rates - penalties & collection charges		-	-	-	-	-	-	-	-
Service charges - electricity revenue		-	168 609	-	-	-	-	-	168 609
Service charges - water revenue		23 549	-	-	-	-	-	-	23 549
Service charges - sanitation revenue		22 606	-	-	-	-	-	-	22 606
Service charges - refuse revenue		-	-	-	-	20 347	-	-	20 347
Service charges - other		137	4 328	49	381	8	1 197	221	6 323
Rental of facilities and equipment		231	4	-	750	1 000	-	-	1 981
Interest earned - external investments		-	-	-	-	-	-	500	500
Interest earned - outstanding debtors		-	-	-	-	-	-	10 373	10 373
Dividends received		-	-	-	-	-	-	-	-
Fines		-	-	981	7	-	2	-	990
Licences and permits		-	-	2 397	12	-	-	-	2 411
Agency services		-	-	4 844	-	-	-	-	4 844
Other revenue		2 224	-	-	-	-	109 953	2 440	114 617
Transfers recognised - operational		17 832	5 407	112	16	1 024	1 279	428	26 091
Gains on disposal of PPE		-	-	-	10 075	-	-	-	10 075
Total Revenue (excluding capital transfers and contribution)		66 579	178 425	8 383	11 241	22 378	112 431	73 755	473 192
Expenditure By Type									
Employee related costs		30 923	8 697	20 739	16 794	32 894	11 113	22 104	143 260
Remuneration of councillors		-	-	-	-	-	10 649	-	10 649
Debt impairment		2 251	5 745	-	-	1 003	-	3 113	12 111
Depreciation & asset impairment		3 525	500	-	386	870	200	-	5 481
Finance charges		2 031	6 506	-	-	864	521	5 235	15 157
Bulk purchases		5 174	139 103	-	-	-	-	-	144 277
Other materials		18	1	30	14	26	1	1	91
Contracted services		631	3 687	12 643	217	6 562	1 894	3 454	29 085
Transfers and grants		28 277	7 108	-	-	7 887	-	3 389	46 661
Other expenditure		20 155	14 421	5 217	4 796	16 479	5 434	(2 530)	63 977
Loss on disposal of PPE		-	-	-	-	-	-	-	-
Total Expenditure		92 987	185 768	38 629	22 208	66 584	29 811	34 765	470 752
Surplus/(Deficit)		(26 408)	(7 343)	(30 246)	(10 966)	(44 206)	82 620	38 989	2 440
Transfers recognised - capital		-	-	-	-	-	-	-	-
Contributions recognised - capital		-	-	-	-	-	82 956	-	82 956
Contributed assets		-	-	-	-	-	15 984	-	15 984
Surplus/(Deficit) after capital transfers & contributions		(26 408)	(7 343)	(30 246)	(10 966)	(44 206)	181 560	38 989	101 381

References

1. Departmental columns to be based on municipal organisation structure

Description	Ref	2009/10	2010/11	2011/12	Current Year 2012/13				2013/14 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year - 2015/16
R thousand											
ASSETS											
Call investment deposits											
Call deposits < 90 days		-	-	-	-	-	-	-	-	-	-
Other current investments > 90 days		-	-	10 000	-	-	-	-	-	-	-
Total Call investment deposits	2	-	-	10 000	-	-	-	-	-	-	-
Consumer debtors											
Consumer debtors		162 932	203 876	214 596	293 581	293 581	293 581	-	352 297	422 757	-
Less: Provision for debt impairment		-	(143 883)	(143 407)	(189 985)	(49 600)	(49 600)	-	(200 214)	(208 385)	-
Total Consumer debtors	2	162 932	59 993	71 189	103 596	243 981	243 981	-	152 083	214 371	-
Debt impairment provision											
Balance at the beginning of the year		-	15 411	126 251	17 136	17 136	17 136	-	18 062	18 947	-
Contributions to the provision		-	2 221	17 156	32 464	32 464	32 464	-	34 187	34 223	-
Bad debts written off		-	126 251	-	140 385	-	-	-	147 965	155 216	-
Balance at end of year		-	143 883	143 407	189 985	49 600	49 600	-	200 214	208 385	-
Property, plant and equipment (PPE)											
PPE at cost/valuation (excl. finance leases)		422 946	459 988	540 638	536 530	536 530	536 530	-	579 452	625 808	-
Leases recognised as PPE	3	-	-	-	-	-	-	-	-	-	-
Less: Accumulated depreciation		182 912	209 700	237 529	263 047	263 047	263 047	-	294 613	329 967	-
Total Property, plant and equipment (PPE)	2	240 034	250 288	303 109	273 482	273 482	273 482	-	284 839	295 842	-
LIABILITIES											
Current liabilities - Borrowing											
Short term loans (other than bank overdraft)		-	-	20	-	-	-	-	-	-	-
Current portion of long-term liabilities		2 012	2 204	3 162	3 404	3 404	3 404	-	4 204	5 004	-
Total Current liabilities - Borrowing		2 012	2 204	3 182	3 404	3 404	3 404	-	4 204	5 004	-
Trade and other payables											
Trade and other creditors		30 526	29 508	44 575	33 155	33 155	33 155	-	35 145	37 253	-
Unspent conditional transfers		7 793	17 803	11 902	44 058	44 058	44 058	-	45 563	44 903	-
VAT		-	8 077	8 632	-	-	-	-	-	-	-
Total Trade and other payables	2	38 319	55 388	65 109	77 213	77 213	77 213	-	80 708	82 156	-
Non current liabilities - Borrowing											
Borrowing	4	3 376	5 717	5 488	11 366	11 366	11 366	-	16 026	22 596	-
Finance leases (including PPP asset element)		-	-	-	-	-	-	-	-	-	-
Total Non current liabilities - Borrowing		3 376	5 717	5 488	11 366	11 366	11 366	-	16 026	22 596	-
Provisions - non-current											
Retirement benefits		16 521	18 742	30 738	23 540	23 540	23 540	-	26 351	29 491	-
Leave Reserve		-	-	-	-	-	-	-	-	-	-
Refuse landfill site rehabilitation		-	-	23 875	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-	-
Total Provisions - non-current		16 521	18 742	54 613	23 540	23 540	23 540	-	26 351	29 491	-
CHANGES IN NET ASSETS											
Accumulated Surplus/(Deficit)											
Accumulated Surplus/(Deficit) - opening balance											

MP302 Msukaligwa - Supporting Table SA4 Reconciliation of IDP strategic objectives and budget (revenue)

Strategic Objective	Goal	Goal Code	Ref	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework			
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16	
R thousand													
To Ensure Community Participation In The Affairs Of The Municipality	4 Local Aids Council Meetings Held	B		304 249	350 152	411 388	459 076	422 019	422 019	473 193	500 632	520 525	
Total Revenue (excluding capital transfers and contributions)				1	304 249	350 152	411 388	459 076	422 019	422 019	473 193	500 632	520 525

References

1. Total revenue must reconcile to Table A4 Budgeted Financial Performance (revenue and expenditure)

MP302 Msukaligwa - Supporting Table SA5 Reconciliation of IDP strategic objectives and budget (operating expenditure)

Strategic Objective	Goal	Goal Code	Ref	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
R thousand												
To Ensure Community Participation In The Affairs Of The Municipality	4 Local Aids Council Meetings Held	B		283 239	334 649	376 027	455 063	419 502	419 502	470 752	493 572	520 302
Total Expenditure			1	283 239	334 649	376 027	455 063	419 502	419 502	470 752	493 572	520 302

References

1. Total expenditure must reconcile to Table A4 Budgeted Financial Performance (revenue and expenditure)

MP302 Msukaligwa - Supporting Table SA6 Reconciliation of IDP strategic objectives and budget (capital expenditure)

Strategic Objective	Goal	Goal Code	Ref	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
R thousand												
To Ensure Community Participation In The Affairs Of The Municipality	4 Local Aids Council Meetings Held	B		41 495	42 448	61 469	81 863	87 970	87 970	104 831	118 753	56 62
Total Capital Expenditure			1	41 495	42 448	61 469	81 863	87 970	87 970	104 831	118 753	56 62

References

- 1. Total capital expenditure must reconcile to Budgeted Capital Expenditure
- 2. Goal code must be used on Table SA36

MP302 Meukaligwa - Supporting Table SA8 Performance indicators and benchmarks

Description of financial indicator	Basis of calculation	2009/10	2010/11	2011/12	Current Year 2012/13				2013/14 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
<u>Borrowing Management</u>											
Credit Rating											
Capital Charges to Operating Expenditure	Interest & Principal Paid /Operating Expenditure	4.1%	3.7%	3.9%	3.4%	4.2%	4.2%	4.1%	4.0%	4.0%	3.2%
Capital Charges to Own Revenue	Finance charges & Repayment of borrowing /Own Revenue	4.9%	4.6%	4.6%	4.5%	5.7%	5.7%	4.8%	5.2%	5.2%	4.2%
Borrowed funding of 'own' capital expenditure	Borrowing/Capital expenditure excl. transfers and grants and contributions	0.0%	0.0%	0.0%	50.0%	40.5%	40.5%	0.0%	27.0%	50.6%	0.0%
<u>Safety of Capital</u>											
Gearing	Long Term Borrowing/ Funds & Reserves	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<u>Liquidity</u>											
Current Ratio	Current assets/current liabilities	3.5	1.1	1.5	1.4	3.0	3.0	—	1.8	2.3	
Current Ratio adjusted for aged debtors	Current assets less debtors > 90 days/current liabilities	3.5	1.1	1.5	1.4	3.0	3.0	—	1.8	2.3	
Liquidity Ratio	Monetary Assets/Current Liabilities	0.0	0.0	0.1	0.0	0.0	0.0	—	0.0	0.0	
<u>Revenue Management</u>											
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/Last 12 Mths Billing		69.0%	73.0%	74.9%	93.0%	96.3%	96.3%	0.0%	99.0%	97.6%
Current Debtors Collection Rate (Cash receipts % of Ratepayer & Other revenue)			69.0%	73.0%	74.9%	93.0%	96.3%	96.3%	0.0%	99.0%	97.6%
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue	58.3%	21.4%	21.6%	27.2%	62.9%	62.9%	0.0%	37.6%	49.0%	0.0%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old										
<u>Creditors Management</u>											
Creditors System Efficiency	% of Creditors Paid Within Terms (within 'MFMA' s 65(e))	0.0%	0.0%	0.0%	95.0%	95.0%	95.0%	0.0%	95.0%	95.0%	0.0%
Creditors to Cash and Investments		3149.2%	-212.4%	-760.5%	399.5%	399.5%	399.5%	0.0%	431.7%	-181.0%	0.0%
<u>Other Indicators</u>											
Electricity Distribution Losses (2)	Total Volume Losses (kW)										
	Total Cost of Losses (Rand '000)										
	Total Volume Losses (kV)										
Water Distribution Losses (2)	Total Cost of Losses (Rand '000)										
Employee costs	Employee costs/(Total Revenue - capital revenue)	29.7%	29.4%	27.3%	30.1%	29.0%	29.0%	30.2%	30.3%	30.4%	30.8%
Remuneration	Total remuneration/(Total Revenue - capital revenue)	2.3%	31.7%	29.5%	30.7%	35.0%	35.0%		31.3%	31.0%	0.0%
Repairs & Maintenance	R&M/(Total Revenue excluding capital revenue)	4.9%	4.1%	4.0%	5.4%	5.2%	5.2%		5.5%	5.5%	5.6%
Finance charges & Depreciation	FC&D/(Total Revenue - capital revenue)	9.6%	10.7%	9.6%	4.2%	6.7%	6.7%	7.8%	4.4%	4.1%	4.2%
<u>IDP regulation financial viability Indicators</u>											
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year)	19.7	20.0	22.5	24.6	24.6	24.6	12.6	20.2	—	
ii. O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services	107.4%	37.6%	39.7%	44.6%	96.9%	96.9%	0.0%	58.7%	75.9%	0.0%
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure	0.1	(0.6)	(0.2)	0.3	0.3	0.3	—	0.3	(0.7)	(0)

References

1. Consumer debtors > 12 months old are excluded from current assets
2. Only include if services provided by the municipality

MP302 Msukaliqwa - Supporting Table SA9 Social, economic and demographic statistics and assumptions

Description of economic indicator		Ref.	Basis of calculation		1996 Census	2001 Census	2007 Survey	2009/10	2010/11	2011/12	Current Year 2012/13	2013/14 Medium Term Revenue Framework	
								Outcome	Outcome	Outcome	Original Budget	Outcome	Outcome
Demographics													
Population													
Females aged 5 - 14						125	126	153	155		158	162	165
Males aged 5 - 14						15	13	16	16		16	16	17
Females aged 15 - 34						23	23	29	29		29	30	30
Males aged 15 - 34						21	23	28	28		28	28	28
Unemployment						-	-	0	0		0	0	0
Monthly household income (no. of households)		1, 12											
No income						5 852	-	91	41		30	25	20
R1 - R1 500						3 424	-	306	8		7	5	4
R1 601 - R3 200						6 272	-	3 395	-		-	-	-
R3 201 - R6 400						5 728	-	4 351	4 103		3 856	3 624	3 407
R6 401 - R12 800						4 170	-	11 307	11 491		11 653	11 638	12 015
R12 801 - R25 600						2 382	-	7 000	7 439		7 885	8 358	8 859
R25 601 - R51 200						1 593	-	4 604	5 138		5 497	5 882	6 293
R52 201 - R102 400						626	-	4 733	4 982		5 231	5 492	5 767
R102 401 - R204 800						110	-	1 403	1 524		1 645	1 777	1 919
R204 801 - R409 600						42	-	770	880		994	1 123	1 269
R409 601 - R819 200						36	-	159	235		272	310	354
> R819 200						28	-	36	42		48	55	64
Poverty profiles (no. of households)													
< R2 060 per household per month		13				-	-	-	12 274.00	0.00	12 020.00	11 371.00	10 814.00
INDIGENT ARE HOUSEHOLDS WHO EARNED LESS						-	-	-	8 271.00	0.00	0.00	0.00	0.00
Household demographics (000)													
Number of people in municipal area						124 812	126 274	153	155		158	156	156
Number of poor people in municipal area						76 139	79 717	-	80		80	80	80
Number of households in municipal area						30 303	34 774	-	39		39	40	40
Number of poor households in municipal area						-	-	-	-		-	-	-
Definition of poor household (R per month)						-	-	-	-		-	-	-
Housing statistics													
Formal		3				26 321	31 751	34 689	35 200		35 728	36 263	36 807
Informal						3 962	3 023	3 705	3 662		3 618	3 575	3 531
Total number of households						30 303	34 774	38 394	38 862		39 346	39 838	40 338
Dwellings provided by municipality		4				-	-	-	-		-	-	-
Dwellings provided by province/s						-	-	-	-		-	-	-
Dwellings provided by private sector		5				-	-	-	-		-	-	-
Total new housing dwellings						-	-	-	-		-	-	-
Economic													
Inflation/inflation outlook (CPIX)		6											
Interest rate - borrowing								6.0%	6.0%	0.0%	6.0%	5.0%	0.0%
Interest rate - investment								10.0%	10.0%	0.0%	10.0%	10.0%	0.0%
Remuneration increases								5.0%	5.0%	0.0%	5.0%	5.0%	0.0%
Consumption growth (electricity)								0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Consumption growth (water)								0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Collection rates													
Property tax/service charges		7						73.0%	73.0%	0.0%	74.0%	75.0%	76.0%
Rental of facilities & equipment								1309690.0%	1309690.0%	0.0%	1482370.0%	1569791.0%	1646710.0%
Interest - external investments								5.0%	5.0%	0.0%	0.0%	0.0%	0.0%
Interest - debtors								12.0%	12.0%	0.0%	12.0%	12.0%	12.0%
Revenue from agency services								1791800.0%	1791800.0%	0.0%	2655000.0%	2811645.0%	2946415.0%

Detail on the provision of municipal services for A10

Total municipal services		2009/10		2010/11		2011/12		Current Year 2012/13			2013/14 Medium Term Revenue Framework	
Ref.		Outcome		Outcome		Outcome		Original Budget	Adjusted Budget	Full Year Forecast	Budget Year +1	
										2013/14		
										2014/15		
	Household service targets (000)											
	Water:											
	Piped water inside dwelling	-	27 727	-	29 362	-	29 362	29 362	30 948	29 362	32 464	
	Piped water inside yard (but not in dwelling)	-	7 475	-	7 916	-	7 916	7 916	8 343	7 916	8 752	

MP302 Msukaligwa Supporting Table SA10 Funding measurement

Description	MFMA section	Ref	2008/10	2010/11	2011/12	Current Year 2012/13				2013/14 Medium Term Revenue & Expenditure Framework		
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Funding measures												
Cash/cash equivalents at the year end - R'000	18(1)b	1	969	(13 893)	(5 861)	8 300	8 300	8 300	–	8 141	(23 135)	(23 135)
Cash + investments at the yr end less applications - R'000	18(1)b	2	76 514	(16 391)	14 809	20 182	159 528	159 528	–	75 758	137 010	–
Cash year end/monthly employee/supplier payments	18(1)b	3	0.1	(0.6)	(0.2)	0.3	0.3	0.3	–	0.3	(0.7)	(0.7)
Surplus/(Deficit) excluding depreciation offsets: R'000	18(1)	4	21 009	15 504	35 361	81 876	80 379	80 379	40 092	101 381	114 875	133 967
Service charge rev % change - macro CPIX target exclusive	18(1)a,(2)	5	N.A.	14.7%	7.5%	18.0%	(8.3%)	(6.0%)	(39.5%)	4.8%	0.5%	(1.7%)
Cash receipts % of Ratepayer & Other revenue	18(1)a,(2)	6	69.0%	73.0%	74.9%	93.0%	96.3%	96.3%	0.0%	99.0%	97.6%	0.0%
Debt impairment expense as a % of total billable revenue	18(1)a,(2)	7	8.4%	7.7%	7.9%	15.0%	3.6%	3.6%	0.0%	4.0%	4.0%	4.0%
Capital payments % of capital expenditure	18(1)c,19	8	127.4%	79.6%	121.6%	80.8%	75.2%	75.2%	0.0%	62.3%	55.9%	0.0%
Borrowing receipts % of capital expenditure (excl. transfers)	18(1)c	9	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Grants % of Govt. legislated/gazetted allocations	18(1)a	10								7394.6%	700.6%	0.0%
Current consumer debtors % change - incr(decr)	18(1)a	11	N.A.	(37.8%)	19.6%	39.6%	112.2%	0.0%	(180.0%)	(13.0%)	37.9%	(180.0%)
Long term receivables % change - incr(decr)	18(1)a	12	N.A.	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
R&M % of Property Plant & Equipment	20(1)(vi)	13	6.2%	5.8%	5.4%	9.1%	8.0%	8.0%	0.0%	9.2%	9.3%	0.0%
Asset renewal % of capital budget	20(1)(vi)	14	3.6%	0.7%	5.4%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

References

1. Positive cash balances indicative of minimum compliance - subject to 2
2. Deduct cash and investment applications (defined) from cash balances
3. Indicative of sufficient liquidity to meet average monthly operating payments
4. Indicative of funded operational requirements
5. Indicative of adherence to macro-economic targets (prior to 2003/04 revenue not available for high capacity municipalities and later for other capacity classifications)
6. Realistic average cash collection forecasts as % of annual billed revenue
7. Realistic average increase in debt impairment (doubtful debt) provision
8. Indicative of planned capital expenditure level & cash payment timing
9. Indicative of compliance with borrowing 'only' for the capital budget - should not exceed 100% unless refinancing
10. Substantiation of National/Province allocations included in budget
11. Indicative of realistic current arrear debtor collection targets (prior to 2003/04 revenue not available for high capacity municipalities and later for other capacity classifications)
12. Indicative of realistic long term arrear debtor collection targets (prior to 2003/04 revenue not available for high capacity municipalities and later for other capacity classifications)
13. Indicative of a credible allowance for repairs & maintenance of assets - functioning assets revenue protection
14. Indicative of a credible allowance for asset renewal (requires analysis of asset renewal projects as % of total capital projects - detailed capital plan) - functioning assets revenue protection

MP302 Msukaligwa - Supporting Table SA11 Property rates summary

Description	Ref	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Valuation:	1									
Date of valuation:		2006/07/01	2010/07/01	2011/07/01	1900/01/02					
Financial year valuation used		0	2010	0	2011			0		
Municipal by-laws s6 in place? (Y/N)	2		Y		Y					
Municipal/assistant valuer appointed? (Y/N)			Y		Y					
Municipal partnership s38 used? (Y/N)							N			
No. of assistant valuers (FTE)	3	-	-	-	-	-	-	-	-	-
No. of data collectors (FTE)	3	-	-	-	-	-	-	-	-	-
No. of internal valuers (FTE)	3	-	-	-	-	-	-	-	-	-
No. of external valuers (FTE)	3	1	1	-	-	-	-	-	-	-
No. of additional valuers (FTE)	4	-	-	-	-	-	-	-	-	-
Valuation appeal board established? (Y/N)			Y		Y					
Implementation time of new valuation roll (mths)		-	-	-	-			-	-	-
No. of properties	5	-	-	-	26 179	52 358	52 358	27 487	28 586	-
No. of sectional title values	5	-	-	-	-	-	-	-	-	-
No. of unreasonably difficult properties s7(2)		-	-	-	-	-	-	-	-	-
No. of supplementary valuations		-	-	-	530	1 060	1 060	559	585	-
No. of valuation roll amendments		-	-	-	530	1 060	1 060	558	585	-
No. of objections by rate payers		-	-	-	159	318	318	167	175	-
No. of appeals by rate payers		-	-	-	-	-	-	-	-	-
No. of successful objections	8	-	-	-	-	-	-	-	-	-
No. of successful objections > 10%	8	-	-	-	-	-	-	-	-	-
Supplementary valuation		-	-	-	-	-	-	-	-	-
Public service infrastructure value (Rm)	5	-	-	-	49	98	98	52	54	-
Municipality owned property value (Rm)		-	-	-	389	778	778	410	428	-
Valuation reductions:										
Valuation reductions-public infrastructure (Rm)		-	-	-	-	-	-	-	-	-
Valuation reductions-nature reserves/park (Rm)		-	-	-	-	-	-	-	-	-
Valuation reductions-mineral rights (Rm)		-	-	-	-	-	-	-	-	-
Valuation reductions-R15,000 threshold (Rm)		-	-	-	-	-	-	-	-	-
Valuation reductions-public worship (Rm)		-	-	-	-	-	-	-	-	-
Valuation reductions-other (Rm)		-	-	-	-	-	-	-	-	-
Total valuation reductions:		-	-	-	-	-	-	-	-	-
Total value used for rating (Rm)	5	-	-	-	-	-	-	-	-	-
Total land value (Rm)	5	-	-	-	10 061	20 122	20 122	10 604	11 124	-
Total value of improvements (Rm)	5	-	-	-	-	-	-	-	-	-
Total market value (Rm)	5	-	-	-	-	-	-	-	-	-
Rating:										
Residential rate used to determine rate for other categories? (Y/N)			Y		Y	Y				
Differential rates used? (Y/N)	5		N		N	N				
Limit on annual rate increase (s20)? (Y/N)			Y		Y	Y	Y	Y	Y	
Special rating area used? (Y/N)			N		N	N				
Phasing-in properties s21 (number)		0								
Rates policy accompanying budget? (Y/N)			Y		Y	Y				
Fixed amount minimum value (R'000)		-								
Non-residential prescribed ratio s19? (%)		0.0%								
Rate revenue:										
Rate revenue budget (R'000)	6	-	45 902	-	61 343	122 685	122 685	64 594	67 759	-
Rate revenue expected to collect (R'000)	6	-	42 214	-	58 073	116 146	116 146	61 151	64 147	-
Expected cash collection rate (%)		0.0%	98.0%	0.0%	95.0%	190.0%	190.0%	96.0%	97.0%	0.0%
Special rating areas (R'000)	7	-								
Rebates, exemptions - indigent (R'000)		-	-	-	742	1 484	1 484	782	821	-
Rebates, exemptions - pensioners (R'000)		-	91	-	149	297	297	157	164	-
Rebates, exemptions - bona fide farm. (R'000)		-	1 679	-	1 579	3 157	3 157	1 662	1 744	-
Rebates, exemptions - other (R'000)		-	1 919	-	1 617	3 233	3 233	1 702	1 786	-
Phase-in reductions/discounts (R'000)		-								
Total rebates, exemptions, reductions, discounts (R'000)		-	3 688	-	4 086	8 172	8 172	4 303	4 514	-

References

1. All numbers to be expressed as whole numbers except FTEs and Rates in the Rand
2. To give effect to rates policy
3. Full Time Equivalent (FTE) should be expressed to one decimal place and takes into account full time and part time staff
4. Required to implement new system (FTE)
5. Provide relevant information for historical comparisons. Must reconcile to the total of Table SA12
6. Current and budget year must reconcile to Table A4 Budgeted Financial Performance (revenue and expenditure)
7. Included in rate revenue budget
8. In favour of the rate-payer

MP302 Msukaligwa - Supporting Table SA7 Measureable performance objectives

Description	Unit of measurement	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year 2015/16
01 - Summary Department Town Engineer										
Waste Water Management										
Sewerage										
Bucket Toilet	Households	-	69.00	-	64.00	-	-	61.00	58.00	
Chemical Toilet	Households	-	428.00	-	453.00	453.00	453.00	477.00	501.00	
Flush Toilet (Connected To Sewerage)	Households	-	29 979.00	-	31 747.00	31 747.00	31 747.00	33 462.00	35 101.00	
Flush Toilet (With Septic Tank)	Households	-	992.00	-	1 050.00	1 050.00	1 050.00	1 107.00	1 161.00	
No Toilet Provisions	Households	-	1 314.00	-	1 236.00	1 236.00	1 236.00	1 169.00	1 227.00	
Other Toilet Provisions (< Min.Service)	Households	-	-	-	-	-	-	-	-	
Other Toilet Provisions (> Min.Service)	Households	-	106.00	-	112.00	112.00	112.00	118.00	124.00	
Pit Toilet (Ventilated)	Households	-	6 508.00	-	6 891.00	6 891.00	6 891.00	7 264.00	7 620.00	
Sanitation	Rand Value	-	6 299 370.00	-	6 728 590.00	6 728 590.00	6 728 590.00	6 950 633.00	7 180 004.00	
Sanitation (Free Minimum Level Service)	Households	-	9 002.00	-	11 000.00	11 000.00	11 000.00	11 000.00	11 000.00	
Sanitation (Free Sanitation Service)	Rand Value	-	51.98	-	56.26	70.00	70.00	58.51	60.85	
Sanitation (Kilolitres Per Household Per Month)	Kilolitres Per Household	-	6 000.00	-	6 000.00	6 000.00	6 000.00	6 000.00	6 000.00	
Sanitation (Rand Per Household Per Month)	Rand Per Household Per	-	-	-	61.15	66.46	66.46	68.48	76.69	
Water										
Water Distribution										
No Water Supply	Households	-	369.00	-	347.00	347.00	347.00	328.00	312.00	
Other Water Supply (< Min.Service Level)	Households	-	1 688.00	-	1 588.00	1 588.00	1 588.00	1 502.00	1 429.00	
Other Water Supply (At Least Min.Service)	Households	-	353.00	-	332.00	332.00	332.00	314.00	297.00	
Piped Water Inside Dwelling	Households	-	27 727.00	-	29 362.00	29 362.00	29 362.00	30 948.00	32 464.00	
Piped Water Inside Yard (But Not In)	Households	-	7 475.00	-	7 916.00	7 916.00	7 916.00	8 343.00	8 752.00	
Using Public Tap (At Least Min.Service)	Households	-	2 938.00	-	2 764.00	2 764.00	2 764.00	2 615.00	2 487.00	
Water	Rand Value	-	12 355 200.00	-	13 255 056.00	13 255 056.00	13 255 056.00	1 334 586.00	13 414 593.00	
Water (6 Kilolitres Per Household Per Month)	Households	-	38 862.00	-	41 154.00	41 154.00	41 154.00	43 377.00	45 502.00	
Water (6 Kilolitres Per Household Per Month)	Rand Value	31.20	34.32	-	38.86	41.00	41.00	41.26	43.81	
Water (Kilolitres Per Household Per Month)	Kilolitres Per Household	-	-	-	6 000.00	6 000.00	6 000.00	6 000.00	6 000.00	
02 - Summary Electricity										
Electricity										
Electricity Distribution										
Electricity (At Least Min.Service Level)	Households	-	12 766.00	-	13 519.00	13 519.00	13 519.00	14 249.00	14 947.00	
Electricity (Kwh Per Household Per Month)	Kwh Per Household Per	-	20.00	-	20.00	38.00	38.00	20.00	20.00	
Electricity - Prepaid (Min.Service Level)	Households	-	16 379.00	-	17 345.00	17 345.00	17 345.00	18 282.00	19 177.00	
Electricity/Other Energy	Rand Value	-	4 092 000.00	-	4 224 528.00	4 224 528.00	4 224 528.00	4 292 120.00	4 360 794.00	
Electricity/Other Energy (50kwh Per Month)	Households	-	9 002.00	-	11 000.00	11 000.00	11 000.00	11 000.00	11 000.00	
Electricity/Other Energy (50kwh Per Month)	Rand Value	31.00	31.00	-	31.97	38.00	38.00	32.44	32.92	
Other Energy Sources	Households	-	9 717.00	-	9 143.00	9 143.00	9 143.00	8 649.00	8 226.00	
05 - Summary Department Corporate Services										
Waste Management										
Solid Waste										
No Rubbish Disposal	Households	-	1 807.00	-	1 700.00	1 700.00	1 700.00	1 608.00	1 529.00	
Refuse	Rand Value	-	5 852 750.00	-	6 572 973.00	6 572 973.00	6 572 973.00	6 954 205.00	7 406 228.00	
Refuse (Average Litres Per Week)	Average Litres Per Week	-	85.00	-	85.00	85.00	85.00	85.00	85.00	
Refuse (Removed At Least Once A Week)	Households	-	9 002.00	-	11 000.00	11 000.00	11 000.00	11 000.00	11 000.00	
Refuse (Removed Once A Week)	Rand Value	-	48.29	-	54.43	67.00	67.00	57.42	60.57	
Removed At Least Once A Week	Households	-	26 216.00	-	27 762.00	27 762.00	27 762.00	29 261.00	30 695.00	
Removed Less Frequently Than Once A Week	Households	-	-	-	-	-	-	-	-	
Using Communal Refuse Dump	Households	-	334.00	-	314.00	314.00	314.00	297.00	282.00	
Using Own Refuse Dump	Households	-	10 404.00	-	9 790.00	9 790.00	9 790.00	9 261.00	8 807.00	
06 - Summary Council General										
Budget And Treasury Office										
Budget And Treasury Office										
Property Rates (Other Exemptions)	Rand Value	-	3 688 000.00	-	3 344 000.00	3 344 000.00	3 344 000.00	3 521 000.00	3 694 000.00	
Property Rates (R000 Value Threshold)	Rand Value Threshold	15 000.00	-	-	15 000.00	15 000.00	15 000.00	15 000.00	15 000.00	
Property Rates (R15 000 Threshold Rebate)	Rand Value	-	1 045 230.00	-	1 153 582.00	1 153 582.00	1 153 582.00	1 211 261.00	1 271 824.00	
07 - Summary Department Finance										
Budget And Treasury Office										
Budget And Treasury Office										
Property Rates (Other Exemptions)	Rand Value	-	3 688 000.00	-	3 344 000.00	3 344 000.00	3 344 000.00	3 521 000.00	3 694 000.00	
Property Rates (R000 Value Threshold)	Rand Value Threshold	15 000.00	-	-	15 000.00	15 000.00	15 000.00	15 000.00	15 000.00	
Property Rates (R15 000 Threshold Rebate)	Rand Value	-	1 045 230.00	-	1 153 582.00	1 153 582.00	1 153 582.00	1 211 261.00	1 271 824.00	

1. Include a measurable performance objective for each revenue source (within a relevant function) and each vote (MFMA s17(3)(b))
2. Include all Basic Services performance targets from 'Basic Service Delivery' to ensure Table SA7 represents all strategic responsibilities
3. Only include prior year comparative information for individual measures where relevant activity occurred in that year/s

MP302 Msukaligwa - Entities measureable performance objectives

Description	Unit of measurement	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		

1. Include a measurable performance objective as agreed with the parent municipality (MFMA s87(5)(d))
2. Only include prior year comparative information for individual measures where relevant activity occurred in that year/s

MP302 Msukaliywa - Supporting Table SA12a Property rates by category (current year)

Description	Ref	Resi.	Indust.	Bus. & Comm.	Farm props.	State-owned	Muni props.	Public service infra.	Private owned towns	Formal & Informal Settle.	Comm. Land	State trust land	Section 8(2)(n) (note 1)	Protect. Areas	National Monuments	Public benefit organs.	Mining Props.
Current Year 2012/13																	
Valuation:																	
No. of properties		19 371	-	2 557	2 530	263	-	-	-	-	-	-	-	-	-	-	-
No. of sectional title property values																	
No. of unreasonably difficult properties s7(2)																	
No. of supplementary valuations																	
Supplementary valuation (R/m)																	
No. of valuation roll amendments																	
No. of objections by rate-payers																	
No. of appeals by rate-payers																	
No. of successful objections	5																
No. of successful objections > 10%																	
Estimated no. of properties not valued																	
Years since last valuation (select)																	
Frequency of valuation (select)		2 4	2 4	2 4	2 4	2 4	2 4	2 4	2 4	2 4	2 4	2 4	2 4	2 4	2 4	2 4	2 4
Method of valuation used (select)		Market	Market	Market	Market	Market	Market	Market	Market	Market	Market	Market	Market	Market	Market	Market	Market
Base of valuation (select)		Land & Impr.	Land & Impr.	Land & Impr.	Land & Impr.	Land & Impr.	Land & Impr.	Land & Impr.	Land & Impr.	Land & Impr.	Land & Impr.	Land & Impr.	Land & Impr.	Land & Impr.	Land & Impr.	Land & Impr.	Land & Impr.
Phasing-in properties s21 (number)																	
Combination of rating types used? (Y/N)		Yes	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Frial rate used? (Y/N)		No	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No
Is balance rated by uniform rate/variable rate?		Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable
Valuation reductions:																	
Valuation reductions-public infrastructure (R/m)																	
Valuation reductions-nature reserves/park (R/m)																	
Valuation reductions-mineral rights (R/m)																	
Valuation reductions-R15,000 threshold (R/m)																	
Valuation reductions-public worship (R/m)																	
Valuation reductions-other (R/m)	2																
Total valuation reductions:																	
Total value used for rating (R/m)	6																
Total land value (R/m)	6																
Total value of improvements (R/m)	6																
Total market value (R/m)	6																
Rating:																	
Average rate	3	0.005100	0.015300	0.015300	0.001275	0.015300	-	-	-	-	-	-	-	-	-	-	0.015300
Rate revenue budget (R'000)		22 674	-	21 032	7 644	3 242	-	-	-	-	-	-	-	-	-	-	-
Rate revenue expected to collect (R'000)		20 565	-	21 032	6 674	3 230	-	-	-	-	-	-	-	-	-	-	-
Expected cash collection rate (%)	4																
Special rating areas (R'000)																	
Rebates, exemptions - indigent (R'000)																	
Rebates, exemptions - pensioners (R'000)		134	-	-	3	-	-	-	-	-	-	-	-	-	-	-	-
Rebates, exemptions - bona fide farm. (R'000)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rebates, exemptions - other (R'000)		1 448	-	-	40	9	-	-	-	-	-	-	-	-	-	-	-
Phase-in reductions/discounts (R'000)		532	-	-	927	3	-	-	-	-	-	-	-	-	-	-	-
Total rebates,exemptions, reductions, discounts (R'000)																	

References

1. Land & Assistance Act; Restitution of Land Rights; Communal Property Associations
2. Include value of additional reductions is 'free' value greater than MPPRA minimum.
3. Average rate - cents in the Rand. Eg 10.26 cents in the Rand is 0.1026, expressed to 6 decimal places maximum
4. Include arrears collections
5. In favour of the rate-payer

6. Provide relevant information for historical comparisons.

MP302 Musikalligwa - Supporting Table SA13a Service Tariffs by category

Description	Ref	Provide description of tariff structure where appropriate	2009/10	2010/11	2011/12	Current Year 2012/13	2013/14 Medium Term Revenue & Expenditure Framework		
							Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Property rates (rate in the Rand)	1								
Residential properties		-	-	0	0	0	0	0	
Residential properties - vacant land		-	-	-	0	0	0	-	
Formal/Informal settlements		First R20 000 is Free	-	-	-	-	-	-	
Small holdings		-	-	0	0	0	0	-	
Farm properties - used		-	-	0	0	0	0	-	
Farm properties - not used		-	-	0	0	0	0	-	
Industrial properties		-	-	0	0	0	0	-	
Business and commercial properties		-	-	0	0	0	0	-	
Communal land - residential		-	-	0	0	0	0	-	
Communal land - small holdings		-	-	0	0	0	0	-	
Communal land - farm property		-	-	0	0	0	0	-	
Communal land - business and commercial		-	-	0	0	0	0	-	
Communal land - other		-	-	0	0	0	0	-	
State-owned properties		None	-	-	-	-	-	-	
Municipal properties		-	-	0	0	0	0	-	
Public service infrastructure		-	-	0	0	0	0	-	
Privately owned towns serviced by the owner		Excl 35.36 - Residential	-	0	0	0	0	-	
State trust land		-	-	0	0	0	0	-	
Restitution and redistribution properties		-	-	0	0	0	0	-	
Protected areas		-	-	0	0	0	0	-	
National monuments properties		-	-	0	0	0	0	-	
Exemptions, reductions and rebates (Rands)									
Residential properties									
R15 000 threshold rebate		-	15 000	15 000	15 000	15 000	15 000	15 000	
General residential rebate		-	-	-	-	-	-	-	
Indigent rebate or exemption		Sliding Scale	-	-	-	-	-	-	
Pensioners/social grants rebate or exemption		-	-	-	-	-	-	-	
Temporary relief rebate or exemption		-	-	-	-	-	-	-	
Bona fide farmers rebate or exemption		-	-	-	-	-	-	-	
Other rebates or exemptions	2								
Water tariffs									
Domestic									
Basic charged/used fee (Rands/month)		None	-	-	-	-	-	-	
Service point - vacant land (Rands/month)		None	-	-	-	-	-	-	
Water usage - flat rate tariff (c/k)		(describe structure)	-	-	-	-	-	-	
Water usage - life line tariff		(fill in thresholds)	-	-	-	-	-	-	
Water usage - Block 1 (c/k)		(fill in thresholds)	-	-	-	-	-	-	
Water usage - Block 2 (c/k)		(fill in thresholds)	-	-	-	-	-	-	
Water usage - Block 3 (c/k)		(fill in thresholds)	-	-	-	-	-	-	
Water usage - Block 4 (c/k)		(fill in thresholds)	-	-	-	-	-	-	
Other	2								
Waste water tariffs									
Domestic									
Basic charged/used fee (Rands/month)		(fill in structure)	-	-	-	-	-	-	
Service point - vacant land (Rands/month)		(fill in structure)	-	-	-	-	-	-	
Waste water - flat rate tariff (c/k)		(fill in structure)	-	-	-	-	-	-	
Volumetric charge - Block 1 (c/k)		(fill in structure)	-	-	-	-	-	-	
Volumetric charge - Block 2 (c/k)		(fill in structure)	-	-	-	-	-	-	
Volumetric charge - Block 3 (c/k)		(fill in structure)	-	-	-	-	-	-	
Volumetric charge - Block 4 (c/k)		(fill in structure)	-	-	-	-	-	-	
Other	2								
Electricity tariffs									
Domestic									
Basic charged/used fee (Rands/month)		< 20 Amp	-	-	90	95	100	105	
Service point - vacant land (Rands/month)		(how is this targeted?)	-	-	-	-	-	-	
FBE		(describe structure)	-	-	-	-	-	-	
Life-line tariff - meter		(describe structure)	-	-	-	-	-	-	
Life-line tariff - prepaid		(describe structure)	-	-	-	-	-	-	

MP202 Mainline - Supporting Table SA13b Service Tariffs by category - explanatory

Description	But structure where appropriate	2010/11 Budgetary Framework: Expenditure					
		2009/10	2010/11	2011/12	Current Year 2012/13	2013/14 Budget 2013/14 Budget Year	2014/15 Budget Year +1 2015/16 Budget Year +2
Expenditure, including and including, (broad)							
Health, safety							
Health, safety, health							
Expenditure, health							

MP302 Msukaligwa - Supporting Table SA14 Household bills

Description	Ref	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework			
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14 % Incr.	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Rand/cent											
Monthly Account for Household - 'Middle Income Range'	1										
Rates and services charges:											
Property rates		-	175.62	-	199.66	199.66	199.66	-	210.44	220.75	-
Electricity: Basic levy		-	70.00	-	104.00	104.00	104.00	-	110.00	115.00	-
Electricity: Consumption		-	554.80	-	703.19	703.19	703.19	-	741.16	777.47	-
Water: Basic levy		-	-	-	-	-	-	-	-	-	-
Water: Consumption		-	37.62	-	41.33	41.33	41.33	-	43.56	45.69	-
Sanitation		-	51.87	-	59.86	59.86	59.86	-	63.09	66.18	-
Refuse removal		-	49.49	-	58.30	58.30	58.30	-	61.44	64.45	-
Other		-	-	-	-	-	-	-	-	-	-
sub-total		-	939.40	-	1 166.34	1 166.34	1 166.34	5.4%	1 229.69	1 289.54	-
VAT on Services		-	85.00	-	105.00	105.00	105.00	-	110.00	116.00	-
Total large household bill:		-	1 024.40	-	1 271.34	1 271.34	1 271.34	5.4%	1 339.69	1 405.54	-
% increase/-decrease		-	-	(100.0%)	-	-	-	-	5.4%	4.9%	(100.0%)
Monthly Account for Household - 'Affordable Range'	2										
Rates and services charges:											
Property rates		-	8.80	-	10.04	10.04	10.04	-	10.50	11.09	-
Electricity: Basic levy		-	70.00	-	104.00	104.00	104.00	-	110.00	115.00	-
Electricity: Consumption		-	29.93	-	37.93	37.93	37.93	-	39.97	41.92	-
Water: Basic levy		-	-	-	-	-	-	-	-	-	-
Water: Consumption		-	-	-	-	-	-	-	-	-	-
Sanitation		-	51.80	-	59.86	59.86	59.86	-	63.09	66.18	-
Refuse removal		-	49.45	-	58.30	58.30	58.30	-	61.44	64.45	-
Other		-	-	-	-	-	-	-	-	-	-
sub-total		-	209.98	-	270.13	270.13	270.13	5.5%	285.00	298.64	-
VAT on Services		-	172.00	-	200.00	200.00	200.00	-	210.00	221.00	-
Total small household bill:		-	381.98	-	470.13	470.13	470.13	5.3%	495.00	519.64	-
% increase/-decrease		-	-	(100.0%)	-	-	-	-	5.3%	5.0%	(100.0%)
Monthly Account for Household - 'Indigent'	3										
Household receiving free basic services											
Rates and services charges:											
Property rates		-	6.00	-	9.66	9.66	9.66	-	10.18	10.67	-
Electricity: Basic levy		-	-	-	-	-	-	-	-	-	-
Electricity: Consumption		-	31.00	-	33.35	33.35	33.35	-	35.15	36.87	-
Water: Basic levy		-	-	-	-	-	-	-	-	-	-
Water: Consumption		-	34.32	-	38.75	38.75	38.75	-	40.84	42.84	-
Sanitation		-	51.98	-	57.29	57.29	57.29	-	60.38	63.33	-
Refuse removal		-	48.29	-	54.64	54.64	54.64	-	57.59	60.41	-
Other		-	-	-	-	-	-	-	-	-	-
sub-total		-	171.59	-	193.69	193.69	193.69	5.4%	204.14	214.12	-
VAT on Services		-	-	-	-	-	-	-	-	-	-
Total small household bill:		-	171.59	-	193.69	193.69	193.69	5.4%	204.14	214.12	-
% increase/-decrease		-	-	(100.0%)	-	-	-	-	5.4%	4.9%	(100.0%)

References

1. Use as basis property value of R700 000, 1 000 kWh electricity and 30kl water
2. Use as basis property value of R500 000 and R700 000, 500 kWh electricity and 25kl water
3. Use as basis property value of R 300 000, 350kWh electricity and 20kl water (50 kWh electricity and 6 kl water free)

MP302 Msukaligwa - Supporting Table SA15 Investment particulars by type

Investment type	Ref	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
R thousand										
Parent municipality										
Securities - National Government										
Listed Corporate Bonds										
Deposits - Bank		-	-	-	-	-	-	-	-	-
Deposits - Public Investment Commissioners										
Deposits - Corporation for Public Deposits										
Bankers Acceptance Certificates										
Negotiable Certificates of Deposit - Banks										
Guaranteed Endowment Policies (sinking)										
Repurchase Agreements - Banks										
Municipal Bonds										
Municipality sub-total	1	-	-	-	-	-	-	-	-	-
Entities										
Securities - National Government										
Listed Corporate Bonds										
Deposits - Bank										
Deposits - Public Investment Commissioners										
Deposits - Corporation for Public Deposits										
Bankers Acceptance Certificates										
Negotiable Certificates of Deposit - Banks										
Guaranteed Endowment Policies (sinking)										
Repurchase Agreements - Banks										
Entities sub-total		-	-	-	-	-	-	-	-	-
Consolidated total:		-	-	-	-	-	-	-	-	-

References

1. Total investments must reconcile to Budgeted Financial Position ('current' call investment deposits plus 'non-current' investments)

MP302 Msukaliqwa - Supporting Table SA16 Investment particulars by maturity

Investments by Maturity	Ref	Period of Investment	Type of Investment	Capital Guarantee (Yes/ No)	Variable or Fixed Interest rate	Interest Rate 3.	Commission Paid (Rands)	Commission Recipient	Expiry date of Investment	Monetary value	Interest to be realised
Name of Institution & Investment ID	1	Yrs/Months								Rand thousand	
Parent municipality											
ABSA 1		1	DEPOSIT BANK	No	Fixed	5.55	0	0	20 August 2012	5 000	2
FIRST NATIONAL BANK		2	DEPOSIT BANK	Yes	Fixed	5.21	0	0	21 September 2012	5 000	4
ABSA 3		3	FIXED	Yes	Fixed	3	0	0	16 October 2012	5 000	5 00
ABSA 4		4	FIXED	Yes	Fixed	5.72	0	0	15 November 2012	5 000	5 00
Municipality sub-total										20 000	10 06
Entities											
Entities sub-total										-	-
TOTAL INVESTMENTS AND INTEREST	1									20 000	10 06

References
1. Total investments must reconcile to all items in Table SA15 for the Current Year (30 June)
2. List investments in expiry date order

MP302 Msukaligwa - Supporting Table SA17 Borrowing

Borrowing - Categorised by type	Ref	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
R thousand										
Parent municipality										
Long-Term Loans (annuity/reducing balance)		17	15	-	11	11	11	8	8	-
Long-Term Loans (non-annuity)		-	-	-	2 000	2 000	2 000	2 000	2 000	-
Local registered stock		-	-	-	-	-	-	-	-	-
Instalment Credit		-	-	-	-	-	-	-	-	-
Financial Leases		7 892	5 315	-	200	200	200	2 106	2 209	-
PPP liabilities		-	-	-	-	-	-	-	-	-
Finance Granted By Cap Equipment Supplier		-	-	-	-	-	-	-	-	-
Marketable Bonds		-	-	-	-	-	-	-	-	-
Non-Marketable Bonds		-	-	-	-	-	-	-	-	-
Bankers Acceptances		-	-	-	-	-	-	-	-	-
Financial derivatives		-	-	-	-	-	-	-	-	-
Other Securities		-	-	-	-	-	-	-	-	-
Municipality sub-total	1	7 909	5 330	-	2 211	2 211	2 211	4 114	4 217	-
Entities										
Long-Term Loans (annuity/reducing balance)										
Long-Term Loans (non-annuity)										
Local registered stock										
Instalment Credit										
Financial Leases										
PPP liabilities										
Finance Granted By Cap Equipment Supplier										
Marketable Bonds										
Non-Marketable Bonds										
Bankers Acceptances										
Financial derivatives										
Other Securities										
Entities sub-total	1	-	-	-	-	-	-	-	-	-
Total Borrowing	1	7 909	5 330	-	2 211	2 211	2 211	4 114	4 217	-

Unspent Borrowing - Categorised by type										
Parent municipality										
Long-Term Loans (annuity/reducing balance)					2 000	2 000	2 000	2 106	2 209	-
Long-Term Loans (non-annuity)										
Local registered stock										
Instalment Credit										
Financial Leases		-	-	-						
PPP liabilities										
Finance Granted By Cap Equipment Supplier										
Marketable Bonds										
Non-Marketable Bonds										
Bankers Acceptances										
Financial derivatives										
Other Securities										
Municipality sub-total	1	-	-	-	2 000	2 000	2 000	2 106	2 209	-
Entities										
Long-Term Loans (annuity/reducing balance)										
Long-Term Loans (non-annuity)										
Local registered stock										
Instalment Credit										
Financial Leases										
PPP liabilities										
Finance Granted By Cap Equipment Supplier										
Marketable Bonds										
Non-Marketable Bonds										
Bankers Acceptances										
Financial derivatives										
Other Securities										
Entities sub-total	1	-	-	-	-	-	-	-	-	-
Total Unspent Borrowing	1	-	-	-	2 000	2 000	2 000	2 106	2 209	-

References

1. Total borrowing must reconcile to Budgeted Financial Position (Borrowing - non-current)

MP302 Msukaligwa - Supporting Table SA18 Transfers and grant receipts

Description	Ref	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
R thousand										
RECEIPTS:	1, 2									
Operating Transfers and Grants										
National Government:		69 162	86 102	93 264	110 532	110 532	110 532	114 617	119 796	123 309
Local Government Equitable Share		67 164	82 968	88 975	105 157	105 157	105 157	108 953	114 918	118 221
Rsc Levy Replacement		(9)	-	-	-	-	-	-	-	-
Finance Management		1 000	1 000	1 250	1 500	1 500	1 500	1 550	1 600	1 650
Municipal Systems Improvement		735	750	790	800	800	800	890	934	967
Municipal Systems Improvement Grant		-	-	-	-	-	-	-	-	-
Ewpw Incentive		-	-	585	1 056	1 056	1 056	1 000	-	-
5% Of Mig		271	1 384	1 664	2 019	2 019	2 019	2 224	2 344	2 471
Provincial Government:		-	-	-	-	-	-	-	-	-
Other transfers/grants		-	-	-	-	-	-	-	-	-
District Municipality:		-	-	-	-	-	-	-	-	-
Other transfers/grants		-	-	-	-	-	-	-	-	-
Other grant providers:		-	-	-	-	-	-	-	-	-
Other transfers/grants		-	-	-	-	-	-	-	-	-
Total Operating Transfers and Grants	5	69 162	86 102	93 264	110 532	110 532	110 532	114 617	119 796	123 309
Capital Transfers and Grants										
National Government:		36 425	20 462	-	44 058	44 058	44 058	45 563	44 903	-
Current Year Receipts		36 425	20 462	-	44 058	44 058	44 058	45 563	44 903	-
Provincial Government:		-	-	-	-	-	-	-	-	-
Current Year Receipts		-	-	-	-	-	-	-	-	-
District Municipality:		-	-	-	-	-	-	-	-	-
Current Year Receipts		-	-	-	-	-	-	-	-	-
Other grant providers:		-	-	-	-	-	-	-	-	-
Current Year Receipts		-	-	-	-	-	-	-	-	-
Total Capital Transfers and Grants	5	36 425	20 462	-	44 058	44 058	44 058	45 563	44 903	-
TOTAL RECEIPTS OF TRANSFERS & GRANTS		105 586	106 564	93 264	154 590	154 590	154 590	160 180	164 699	123 309

References

- Each transfer/grant is listed by name as gazetted together with the name of the transferring department or municipality, donor or other organisation
- Amounts actually RECEIVED; not revenue recognised (objective is to confirm grants transferred)
- Replacement of RSC levies
- Housing subsidies for housing where ownership transferred to organisations or persons outside the control of the municipality
- Total transfers and grants must reconcile to Budgeted Cash Flows
- Motor vehicle licensing refunds to be included under 'agency' services (Not Grant Receipts)

MP302 Msukaligwa - Supporting Table SA19 Expenditure on transfers and grant programme

Description	Ref	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
R thousand										
EXPENDITURE:	1									
Operating expenditure of Transfers and Grants										
National Government:		-	-	-	-	-	-	-	-	-
Other transfers/grants		-	-	-	-	-	-	-	-	-
Provincial Government:		-	-	-	-	-	-	-	-	-
Other transfers/grants		-	-	-	-	-	-	-	-	-
District Municipality:		-	-	-	-	-	-	-	-	-
Other transfers/grants		-	-	-	-	-	-	-	-	-
Other grant providers:		-	-	-	-	-	-	-	-	-
Other transfers/grants		-	-	-	-	-	-	-	-	-
Total operating expenditure of Transfers and Grants:		-	-	-	-	-	-	-	-	-
Capital expenditure of Transfers and Grants										
National Government:		23 290	20 136	46 153	44 058	49 230	49 230	66 881	80 701	52 627
Municipal Infrastructure Grant (Mig)		23 290	20 136	46 153	44 058	49 230	49 230	66 881	80 701	52 627
Provincial Government:		358	328	30	-	-	-	-	-	-
Housing And Local Government		358	328	30	-	-	-	-	-	-
Other Departments		-	-	-	-	-	-	-	-	-
District Municipality:		-	-	-	-	-	-	-	-	-
Other capital transfers/grants		-	-	-	-	-	-	-	-	-
Other grant providers:		-	-	-	-	-	-	-	-	-
Other capital transfers/grants		-	-	-	-	-	-	-	-	-
Total capital expenditure of Transfers and Grants		23 648	20 463	46 183	44 058	49 230	49 230	66 881	80 701	52 627
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		23 648	20 463	46 183	44 058	49 230	49 230	66 881	80 701	52 627

References

1. Expenditure must be separately listed for each transfer or grant received or recognised

MP302 Msukaligwa - Supporting Table SA20 Reconciliation of transfers, grant receipts and unspent funds

Description	Ref	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year + 2015/16
R thousand										
Operating transfers and grants:	1,3									
National Government:										
Balance unspent at beginning of the year		-	-	-	-	-	-	-	-	-
Current year receipts		69 538	88 154	-	107 457	107 457	107 457	115 286	126 083	-
Conditions met - transferred to revenue		69 538	88 154	-	107 457	107 457	107 457	115 286	126 083	-
Conditions still to be met - transferred to liabilities		-	-	-	-	-	-	-	-	-
Provincial Government:										
Balance unspent at beginning of the year		-	-	-	-	-	-	-	-	-
Current year receipts		-	-	-	-	-	-	-	-	-
Conditions met - transferred to revenue		-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities		-	-	-	-	-	-	-	-	-
District Municipality:										
Balance unspent at beginning of the year		-	-	-	-	-	-	-	-	-
Current year receipts		-	-	-	-	-	-	-	-	-
Conditions met - transferred to revenue		-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities		-	-	-	-	-	-	-	-	-
Other grant providers:										
Balance unspent at beginning of the year		-	-	-	-	-	-	-	-	-
Current year receipts		-	-	-	-	-	-	-	-	-
Conditions met - transferred to revenue		-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities		-	-	-	-	-	-	-	-	-
Total operating transfers and grants revenue		69 538	88 154	-	107 457	107 457	107 457	115 286	126 083	-
Total operating transfers and grants - CTBM	2	-	-	-	-	-	-	-	-	-
Capital transfers and grants:	1,3									
National Government:										
Balance unspent at beginning of the year		8 761	7 793	10 388	-	10 388	10 388	-	-	-
Current year receipts		36 425	20 462	-	44 058	44 058	44 058	45 563	44 903	-
Conditions met - transferred to revenue		37 393	10 452	10 388	44 058	54 446	54 446	45 563	44 903	-
Conditions still to be met - transferred to liabilities		7 793	17 803	-	-	-	-	-	-	-
Provincial Government:										
Balance unspent at beginning of the year		-	1	-	-	-	-	-	-	-
Current year receipts		-	-	-	-	-	-	-	-	-
Conditions met - transferred to revenue		-	1	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities		-	-	-	-	-	-	-	-	-
District Municipality:										
Balance unspent at beginning of the year		-	-	-	-	-	-	-	-	-
Current year receipts		-	-	-	-	-	-	-	-	-
Conditions met - transferred to revenue		-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities		-	-	-	-	-	-	-	-	-
Other grant providers:										
Balance unspent at beginning of the year		-	-	-	-	-	-	-	-	-
Current year receipts		-	-	-	-	-	-	-	-	-
Conditions met - transferred to revenue		-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities		-	-	-	-	-	-	-	-	-
Total capital transfers and grants revenue		37 393	10 453	10 388	44 058	54 446	54 446	45 563	44 903	-
Total capital transfers and grants - CTBM	2	7 793	17 803	-	-	-	-	-	-	-
TOTAL TRANSFERS AND GRANTS REVENUE		106 931	98 607	10 388	151 515	161 903	161 903	160 849	170 986	-
TOTAL TRANSFERS AND GRANTS - CTBM		7 793	17 803	-	-	-	-	-	-	-

References

1. Total capital transfers and grants revenue must reconcile to Budgeted Financial Performance and Financial Position; total recurrent grants revenue must reconcile to Budgeted Financial Performance
2. CTBM = conditions to be met
3. National Treasury database will require this reconciliation for each transfer/grant

MP302 Msukaligwa - Supporting Table SA21 Transfers and grants made by the municipality

Description	Ref	2009/10	2010/11	2011/12	Current Year 2012/13				2013/14 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year 2015/16
R thousand											
Cash Transfers to other municipalities											
Total Cash Transfers To Municipalities:		-	-	-	-	-	-	-	-	-	-
Cash Transfers to Entities/Other External Mechanisms											
Total Cash Transfers To Entities/Ems'		-	-	-	-	-	-	-	-	-	-
Cash Transfers to other Organs of State											
Total Cash Transfers To Other Organs Of State:		-	-	-	-	-	-	-	-	-	-
Cash Transfers to Organisations											
Total Cash Transfers To Organisations		-	-	-	-	-	-	-	-	-	-
Cash Transfers to Groups of Individuals											
Total Cash Transfers To Groups Of Individuals:		-	-	-	-	-	-	-	-	-	-
TOTAL CASH TRANSFERS AND GRANTS	6	-	-	-	-	-	-	-	-	-	-
Non-Cash Transfers to other municipalities											
Total Non-Cash Transfers To Municipalities:		-	-	-	-	-	-	-	-	-	-
Non-Cash Transfers to Entities/Other External Mechanisms											
Total Non-Cash Transfers To Entities/Ems'		-	-	-	-	-	-	-	-	-	-
Non-Cash Transfers to other Organs of State											
Total Non-Cash Transfers To Other Organs Of State:		-	-	-	-	-	-	-	-	-	-
Non-Cash Grants to Organisations											
Total Non-Cash Grants To Organisations		-	-	-	-	-	-	-	-	-	-
Groups of Individuals											
Total Non-Cash Grants To Groups Of Individuals:		-	-	-	-	-	-	-	-	-	-
TOTAL NON-CASH TRANSFERS AND GRANTS		-	-	-	-	-	-	-	-	-	-
TOTAL TRANSFERS AND GRANTS	6	-	-	-	-	-	-	-	-	-	-

References

1. Insert description listed by municipal name and demarcation code of recipient
2. Insert description of each entity or external mechanism (an external mechanism may be provided with resources to ensure a minimum level of service)
3. Insert description of each Organ of State (e.g. transfer to electricity provider to compensate for FBS provided)
4. Insert description of each other organisation (e.g. charity)
- 5 Insert description of each other organisation (e.g. the aged, child-headed households)
6. All descriptions should separate transfers for 'capital purposes' and 'operating purposes'

MP302 Msukaligwa - Supporting Table SA22 Summary councillor and staff benefits

Summary of Employee and Councillor remuneration		2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
R thousand	Ref	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
		A	B	C	D	E	F	G	H	I
Councillors (Political Office Bearers plus Other)	1									
Basic Salaries and Wages		7 042	7 130	8 538	9 168	9 168	9 168	9 854	10 127	-
Pension and UIF Contributions		-	-	-	-	-	-	-	-	-
Medical Aid Contributions		-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance		-	-	-	-	-	-	-	-	-
Cellphone Allowance		-	334	472	514	514	514	541	567	-
Housing Allowances		-	-	-	-	-	-	-	-	-
Other benefits and allowances		-	-	-	-	-	-	-	-	-
Sub Total - Councillors		7 042	7 464	9 010	9 682	9 682	9 682	10 195	10 694	-
% Increase	4		6.0%	20.7%	7.5%	-	-	5.3%	4.9%	(100.0%)
Senior Managers of the Municipality	2									
Basic Salaries and Wages		-	2 802	2 465	5 160	5 160	5 160	5 433	5 699	-
Pension and UIF Contributions		-	-	-	-	-	-	-	-	-
Medical Aid Contributions		-	-	-	-	-	-	-	-	-
Overtime		-	-	-	-	-	-	-	-	-
Performance Bonus		-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance	3	-	-	-	-	-	-	-	-	-
Cellphone Allowance	3	-	-	-	-	-	-	-	-	-
Housing Allowances	3	-	-	-	-	-	-	-	-	-
Other benefits and allowances	3	-	-	-	-	-	-	-	-	-
Payments in lieu of leave		-	-	-	-	-	-	-	-	-
Long service awards		-	-	-	-	-	-	-	-	-
Post-retirement benefit obligations	6	-	-	-	-	-	-	-	-	-
Sub Total - Senior Managers of Municipality		-	2 802	2 465	5 160	5 160	5 160	5 433	5 699	-
% Increase	4		-	(12.0%)	109.3%	-	-	5.3%	4.9%	(100.0%)
Other Municipal Staff										
Basic Salaries and Wages		-	68 927	70 091	83 664	90 664	90 664	87 929	92 001	-
Pension and UIF Contributions		-	12 071	14 431	17 023	17 023	17 023	17 925	18 786	-
Medical Aid Contributions		-	5 834	6 841	8 192	8 192	8 192	8 627	9 049	-
Overtime		-	9 041	9 390	7 704	7 704	7 704	8 112	8 443	-
Performance Bonus		-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance	3	-	4 897	3 681	3 208	3 208	3 208	3 378	3 544	-
Cellphone Allowance	3	-	74	67	90	90	90	95	96	-
Housing Allowances	3	-	-	-	-	-	-	-	-	-
Other benefits and allowances	3	-	-	5 348	6 048	6 048	6 048	6 368	6 676	-
Payments in lieu of leave		-	-	-	-	-	-	-	-	-
Long service awards		-	-	-	-	-	-	-	-	-
Post-retirement benefit obligations	6	-	-	-	-	-	-	-	-	-
Sub Total - Other Municipal Staff		-	100 844	109 847	125 929	132 929	132 929	132 434	138 595	-
% Increase	4		-	8.9%	14.6%	5.6%	-	(0.4%)	4.7%	(100.0%)
Total Parent Municipality		7 042	111 110	121 323	140 770	147 770	147 770	148 062	154 988	-
			1 477.8%	9.2%	18.0%	5.0%	-	0.2%	4.7%	(100.0%)
Board Members of Entities										
Basic Salaries and Wages		-	-	-	-	-	-	-	-	-
Pension and UIF Contributions		-	-	-	-	-	-	-	-	-
Medical Aid Contributions		-	-	-	-	-	-	-	-	-
Overtime		-	-	-	-	-	-	-	-	-
Performance Bonus		-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance	3	-	-	-	-	-	-	-	-	-
Cellphone Allowance	3	-	-	-	-	-	-	-	-	-
Housing Allowances	3	-	-	-	-	-	-	-	-	-
Other benefits and allowances	3	-	-	-	-	-	-	-	-	-
Board Fees		-	-	-	-	-	-	-	-	-
Payments in lieu of leave		-	-	-	-	-	-	-	-	-
Long service awards		-	-	-	-	-	-	-	-	-
Post-retirement benefit obligations	6	-	-	-	-	-	-	-	-	-
Sub Total - Board Members of Entities		-	-	-	-	-	-	-	-	-
% Increase	4		-	-	-	-	-	-	-	-
Senior Managers of Entities										
Basic Salaries and Wages		-	-	-	-	-	-	-	-	-
Pension and UIF Contributions		-	-	-	-	-	-	-	-	-
Medical Aid Contributions		-	-	-	-	-	-	-	-	-
Overtime		-	-	-	-	-	-	-	-	-
Performance Bonus		-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance	3	-	-	-	-	-	-	-	-	-
Cellphone Allowance	3	-	-	-	-	-	-	-	-	-
Housing Allowances	3	-	-	-	-	-	-	-	-	-
Other benefits and allowances	3	-	-	-	-	-	-	-	-	-
Payments in lieu of leave		-	-	-	-	-	-	-	-	-
Long service awards		-	-	-	-	-	-	-	-	-
Post-retirement benefit obligations	6	-	-	-	-	-	-	-	-	-
Sub Total - Senior Managers of Entities		-	-	-	-	-	-	-	-	-
% Increase	4		-	-	-	-	-	-	-	-
Other Staff of Entities										
Basic Salaries and Wages		-	-	-	-	-	-	-	-	-
Pension and UIF Contributions		-	-	-	-	-	-	-	-	-
Medical Aid Contributions		-	-	-	-	-	-	-	-	-
Overtime		-	-	-	-	-	-	-	-	-
Performance Bonus		-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance	3	-	-	-	-	-	-	-	-	-
Cellphone Allowance	3	-	-	-	-	-	-	-	-	-
Housing Allowances	3	-	-	-	-	-	-	-	-	-
Other benefits and allowances	3	-	-	-	-	-	-	-	-	-
Payments in lieu of leave		-	-	-	-	-	-	-	-	-
Long service awards		-	-	-	-	-	-	-	-	-
Post-retirement benefit obligations	6	-	-	-	-	-	-	-	-	-
Sub Total - Other Staff of Entities		-	-	-	-	-	-	-	-	-
% Increase	4		-	-	-	-	-	-	-	-
Total Municipal Entities		-	-	-	-	-	-	-	-	-
TOTAL SALARY, ALLOWANCES & BENEFITS		7 042	111 110	121 323	140 770	147 770	147 770	148 062	154 988	-
% Increase	4		1 477.8%	9.2%	18.0%	5.0%	-	0.2%	4.7%	(100.0%)
TOTAL MANAGERS AND STAFF	5,7	-	103 645	112 313	131 089	138 089	138 089	137 867	144 294	-

References

1. Include 'Loans and advances' where applicable if any reportable amounts until phased compliance with s164 of MFMA achieved
2. s57 of the Systems Act
3. In kind benefits (e.g. provision of living quarters) must be shown as the cost (full market value) to the municipality, as part of the relevant allowance
4. B/A, C/B, D/C, E/C, F/C, G/D, H/D, I/D
5. Must agree to the sub-total appearing on Table A1 (Employee costs)
6. Includes pension payments and employer contributions to medical aid
7. Correct as at 30 June

Column Definitions:

- A, B and C. Audited actual as per the audited financial statements. If audited amounts are unavailable, unaudited amounts must be provided with a note stating these are unaudited
- D. The original budget approved by council for the budget year.
- E. The budget for the budget year as adjusted by council resolution in terms of section 28 of the MFMA.
- F. An estimate of final actual amounts (pre audit) for the current year at the point in time of preparing the budget for the budget year. This may differ from E.
- G. The amount to be appropriated for the budget year.
- H and I. The indicative projection

[illegible]

1. *Pension and medical aid*
2. *Total package must equal the total cost to the municipality*
3. *List each political office bearer by designation. Provide a total for all other councillors*
4. *Political office bearer is defined in MFMA s 1: speaker, executive mayor, deputy executive mayor, member of executive committee, mayor, deputy mayor, member of mayoral committee, the councillor designated to exercise powers and duties of mayor (MSA s 57)*
5. *Also list each senior manager reporting to MM by designation and each official with package >= senior manager by designation*
6. *List each entity where municipality has an interest and state percentage ownership and control*
7. *List each senior manager reporting to the CEO of an Entity by designation*
8. *Must reconcile to relevant section of Table SA24*
9. *Must reconcile to totals shown for the budget year of Table SA22*
10. *Correct as at 30 June*

MP302 Msukaligwa - Supporting Table SA24 Summary of personnel numbers

Summary of Personnel Numbers	Ref	2011/12			Current Year 2012/13			Budget Year 2013/14		
		Positions	Permanent employees	Contract employees	Positions	Permanent employees	Contract employees	Positions	Permanent employees	Contract employees
Municipal Council and Boards of Municipal Entities										
Councillors (Political Office Bearers plus Other Councillors)	4	38	-	-	38	38	-	38	-	-
Board Members of municipal entities	5	-	-	-	-	-	-	-	-	-
Municipal employees										
Municipal Manager and Senior Managers	3	6	-	3	6	-	6	6	-	-
Other Managers	7	28	28	-	2	2	-	2	2	-
Professionals		622	617	56	1 110	892	56	1 109	892	5
Finance		84	79	5	123	83	5	123	83	-
Spatial/town planning		-	-	-	1	-	-	-	-	-
Information Technology		3	3	-	3	3	-	3	3	-
Roads		59	59	3	84	65	3	84	65	-
Electricity		35	35	1	71	38	1	71	38	-
Water		38	38	-	73	43	-	73	43	-
Sanitation		39	39	-	108	44	-	108	44	-
Refuse		83	83	14	128	97	14	128	97	1
Other		281	281	33	519	519	33	519	519	3
Technicians		12	12	-	12	12	-	12	12	-
Finance		-	-	-	-	-	-	-	-	-
Spatial/town planning		-	-	-	-	-	-	-	-	-
Information Technology		-	-	-	-	-	-	-	-	-
Roads		-	-	-	-	-	-	-	-	-
Electricity		12	12	-	12	12	-	12	12	-
Water		-	-	-	-	-	-	-	-	-
Sanitation		-	-	-	-	-	-	-	-	-
Refuse		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Clerks (Clerical and administrative)		136	132	4	136	132	4	142	137	-
Service and sales workers		54	54	-	58	58	-	58	58	-
Skilled agricultural and fishery workers		-	-	-	-	-	-	-	-	-
Craft and related trades		32	31	1	32	31	1	32	31	-
Plant and Machine Operators		77	76	1	77	76	1	77	76	-
Elementary Occupations		219	192	27	222	192	30	222	192	3
TOTAL PERSONNEL NUMBERS	9	1 224	1 142	92	1 693	1 433	98	1 698	1 400	9
% increase					38.3%	25.5%	6.5%	0.3%	(2.3%)	1.0%
Total municipal employees headcount	6, 10	651	592	59	-	-	-	-	-	-
Finance personnel headcount	8, 10	73	70	3	-	-	-	-	-	-
Human Resources personnel headcount	8, 10									

References

1. Positions must be funded and aligned to the municipality's current organisational structure
2. Full Time Equivalent (FTE). E.g. One full time person = 1FTE. A person working half time (say 4 hours out of 8) = 0.5FTE.
3. s57 of the Systems Act
4. Include only in Consolidated Statements
5. Include municipal entity employees in Consolidated Statements
6. Include headcount (number of persons, Not FTE) of managers and staff only (exclude councillors)
7. Managers who provide the direction of a critical technical function
8. Total number of employees working on these functions

MP302 Msukaligwa - Supporting Table SA25 Budgeted monthly revenue and expenditure

R thousand	Description	Ref	Budget Year 2013/14												Medium Term Revenue and Expenditure Framework		
			July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Revenue By Source																	
	Property rates													59 871	59 871	63 104	66 511
	Property rates - penalties & collection charges													-	-	-	-
	Service charges - electricity revenue													168 609	168 609	177 713	187 310
	Service charges - water revenue													23 549	23 549	24 821	26 161
	Service charges - sanitation revenue													22 606	22 606	23 827	25 114
	Service charges - refuse revenue													20 347	20 347	21 445	22 603
	Service charges - other													6 320	6 320	10 116	7 021
	Rental of facilities and equipment													1 985	1 985	2 091	2 204
	Interest earned - external investments													500	500	527	555
	Interest earned - outstanding debtors													10 373	10 373	10 933	11 523
	Dividends received													-	-	-	-
	Fines													990	990	1 044	1 100
	Licences and permits													2 410	2 410	2 540	2 677
	Agency services													4 844	4 844	5 105	5 381
	Transfers recognised - operational													114 617	114 617	119 796	123 309
	Other revenue													26 098	26 098	27 495	28 980
	Gains on disposal of PPE													10 075	10 075	10 075	10 075
Total Revenue (excluding capital transfers and contribution)			-	-	-	-	-	-	-	-	-	-	-	473 193	473 193	500 632	520 525
Expenditure By Type																	
	Employee related costs													143 264	143 264	151 995	160 393
	Remuneration of councillors													10 649	10 649	11 224	11 830
	Debt impairment													12 112	12 112	12 766	13 455
	Depreciation & asset impairment													5 481	5 481	4 794	5 053
	Finance charges													15 158	15 158	15 977	16 839
	Bulk purchases													144 278	144 278	152 068	160 280
	Other materials													90	90	95	100
	Contracted services													29 088	29 088	29 605	31 204
	Transfers and grants													46 661	46 661	49 143	51 743
	Other expenditure													63 972	63 972	65 906	69 406
	Loss on disposal of PPE													-	-	-	-
Total Expenditure			-	-	-	-	-	-	-	-	-	-	-	470 752	470 752	493 572	520 302
Surplus/(Deficit)			-	-	-	-	-	-	-	-	-	-	-	2 441	2 441	7 060	223
	Transfers recognised - capital													-	-	-	-
	Contributions recognised - capital													82 956	82 956	81 815	91 245
	Contributed assets													15 984	15 984	26 000	42 500
Surplus/(Deficit) after capital transfers & contributions			-	-	-	-	-	-	-	-	-	-	-	101 381	101 381	114 875	133 967
	Taxation													-	-	-	-
	Attributable to minorities													-	-	-	-
	Share of surplus/ (deficit) of associate													-	-	-	-
Surplus/(Deficit)			-	-	-	-	-	-	-	-	-	-	-	101 381	101 381	114 875	133 967

References

1. Surplus (Deficit) must reconcile with Budgeted Financial Performance

MP302 Msukaligwa - Supporting Table SA26 Budgeted monthly revenue and expenditure (municipal vote)

Description	Ref	Budget Year 2013/14												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
R thousand																
Revenue by Vote																
Vote 01 - Summary Department Town Engineer														66 579	70 175	73 964
Vote 02 - Summary Electricity														178 425	188 060	198 215
Vote 03 - Summary Department Public Safety														8 383	8 836	9 313
Vote 04 - Summary Department Community And Health														11 241	11 303	11 369
Vote 05 - Summary Department Corporate Services														22 378	23 587	24 860
Vote 06 - Summary Council General														112 431	120 972	120 961
Vote 07 - Summary Department Finance														73 755	77 700	81 842
Total Revenue by Vote	-	-	-	-	-	-	-	-	-	-	-	-	-	473 193	500 632	520 525
Expenditure by Vote to be appropriated																
Vote 01 - Summary Department Town Engineer														92 987	98 018	103 231
Vote 02 - Summary Electricity														185 768	194 280	204 765
Vote 03 - Summary Department Public Safety														38 629	40 715	42 913
Vote 04 - Summary Department Community And Health														22 208	23 407	24 623
Vote 05 - Summary Department Corporate Services														66 584	69 263	72 995
Vote 06 - Summary Council General														29 811	31 285	33 247
Vote 07 - Summary Department Finance														34 765	36 605	38 528
Total Expenditure by Vote	-	-	-	-	-	-	-	-	-	-	-	-	-	470 752	493 572	520 302
Surplus/(Deficit) before assoc.	-	-	-	-	-	-	-	-	-	-	-	-	-	2 441	7 060	223
Taxation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Attributable to minorities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit)	-	-	-	-	-	-	-	-	-	-	-	-	-	2 441	7 060	223

References

1. Surplus (Deficit) must reconcile with Budgeted Financial Performance

MP302 Msukaligwa - Supporting Table SA27 Budgeted monthly revenue and expenditure (standard classification)

Description		Ref	Budget Year 2013/14												Medium Term Revenue and Expenditure Framework		
R thousand			July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Revenue - Standard			-	-	-	-	-	-	-	-	-	-	-	-	186 788	199 319	203 484
Governance and administration			-	-	-	-	-	-	-	-	-	-	-	-	111 025	119 502	119 412
Executive and council															73 755	77 700	81 842
Budget and treasury office															2 008	2 117	2 231
Corporate services			-	-	-	-	-	-	-	-	-	-	-	-	19 669	20 186	20 732
Community and public safety															403	425	448
Community and social services															209	219	231
Sport and recreation															8 427	8 882	9 362
Public safety															10 629	10 659	10 691
Housing															-	-	-
Health			-	-	-	-	-	-	-	-	-	-	-	-	3 631	3 815	4 021
Economic and environmental services															1 406	1 470	1 550
Planning and development															2 225	2 345	2 472
Road transport															-	-	-
Environmental protection															262 894	277 090	292 053
Electricity			-	-	-	-	-	-	-	-	-	-	-	-	178 425	188 060	198 215
Water															41 432	43 669	46 028
Waste water management															22 667	23 891	25 181
Waste management															20 370	21 470	22 630
Other															211	223	235
Total Revenue - Standard			-	-	-	-	-	-	-	-	-	-	-	-	473 193	500 632	520 525
Expenditure - Standard			-	-	-	-	-	-	-	-	-	-	-	-	95 517	99 585	105 173
Governance and administration			-	-	-	-	-	-	-	-	-	-	-	-	24 083	25 249	26 885
Executive and council															36 600	38 538	40 566
Budget and treasury office															34 834	35 798	37 723
Corporate services			-	-	-	-	-	-	-	-	-	-	-	-	76 186	80 376	84 589
Community and public safety															6 691	7 052	7 386
Community and social services															12 752	13 441	14 165
Sport and recreation															53 908	56 895	59 887
Public safety															2 764	2 914	3 071
Housing															71	75	79
Health			-	-	-	-	-	-	-	-	-	-	-	-	10 647	11 156	11 759
Economic and environmental services															3 877	4 086	4 307
Planning and development															6 770	7 070	7 452
Road transport															-	-	-
Environmental protection															288 345	302 396	318 719
Electricity			-	-	-	-	-	-	-	-	-	-	-	-	185 768	194 280	204 765
Water															47 731	50 309	53 026
Waste water management															23 165	24 416	25 735
Waste management															31 680	33 390	35 193
Other															57	59	62
Total Expenditure - Standard			-	-	-	-	-	-	-	-	-	-	-	-	470 752	493 572	520 302
Surplus/(Deficit) before assoc.			-	-	-	-	-	-	-	-	-	-	-	-	2 441	7 060	223
Share of surplus/ (deficit) of associate															-	-	-
Surplus/(Deficit)		1	-	-	-	-	-	-	-	-	-	-	-	-	2 441	7 060	223

References

1. Surplus (Deficit) must reconcile with Budgeted Financial Performance

MP302 Msukaligwa - Supporting Table SA28 Budgeted monthly capital expenditure (municipal vote)

R thousand	Description	Ref	Budget Year 2013/14												Medium Term Revenue and Expenditure Framework			
			July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16	
1	Multi-year expenditure to be appropriated																	
	Vote 01 - Summary Department Town Engineer													14 605	14 605	11 016	9 221	
	Vote 02 - Summary Electricity													5 000	5 000	5 270	5 555	
	Vote 03 - Summary Department Public Safety													-	-	-	-	
	Vote 04 - Summary Department Community And Health													3 858	3 858	4 066	4 286	
	Vote 05 - Summary Department Corporate Services													-	-	-	-	
	Vote 06 - Summary Council General													-	-	-	-	
2	Vote 07 - Summary Department Finance													-	-	-	-	
	Capital multi-year expenditure sub-total		-	-	-	-	-	-	-	-	-	-	-	23 463	23 463	20 352	19 061	
	Single-year expenditure to be appropriated																	
	Vote 01 - Summary Department Town Engineer													73 868	73 868	92 348	33 566	
	Vote 02 - Summary Electricity													5 100	5 100	2 100	-	
	Vote 03 - Summary Department Public Safety													-	-	-	-	
	Vote 04 - Summary Department Community And Health													-	-	552	-	
2	Vote 05 - Summary Department Corporate Services													200	200	700	1 000	
	Vote 06 - Summary Council General													2 200	2 200	2 700	3 000	
	Vote 07 - Summary Department Finance													-	-	-	-	
	Capital single-year expenditure sub-total		-	-	-	-	-	-	-	-	-	-	-	81 368	81 368	98 400	37 566	
	Total Capital Expenditure		-	-	-	-	-	-	-	-	-	-	-	104 831	104 831	118 753	56 627	

References

1. Table should be completed as either Multi-Year expenditure appropriation or Budget Year and Forward Year estimates
2. Total Capital Expenditure must reconcile to Budgeted Capital Expenditure

MP302 Msukaligwa - Supporting Table SA29 Budgeted monthly capital expenditure (standard classification)

R thousand	Description	Ref	Budget Year 2013/14												Medium Term Revenue and Expenditure Framework		
			July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year + 2015/16
	Capital Expenditure - Standard	1															
	Governance and administration																
	Executive and council		-	-	-	-	-	-	-	-	-	-	-	2 400	2 400	3 400	4 000
	Budget and treasury office													2 200	2 200	2 700	3 000
	Corporate services													-	-	-	-
	Community and public safety													200	200	700	1 000
	Community and social services													41 008	41 008	53 656	17 391
	Sport and recreation													3 000	3 000	3 162	3 330
	Public safety													858	858	904	950
	Housing													37 150	37 150	49 037	13 100
	Health													-	-	552	-
	Economic and environmental services													-	-	-	-
	Planning and development													-	-	-	-
	Road transport													-	-	-	-
	Environmental protection													-	-	-	-
	Trading services													-	-	-	-
	Electricity													61 423	61 423	61 697	35 231
	Water													10 100	10 100	7 370	5 550
	Waste water management													43 018	43 018	41 398	29 670
	Waste management													8 305	8 305	12 929	-
	Other													-	-	-	-
	Total Capital Expenditure - Standard	2	-	-	-	-	-	-	-	-	-	-	-	104 831	104 831	118 753	56 621

References

1. Table should be completed as either Multi-Year expenditure appropriation or Budget Year and Forward Year estimates

2. Total Capital Expenditure must reconcile to Budgeted Capital Expenditure

MP302 Msukaligwa - Supporting Table SA30 Budgeted monthly cash flow

MONTHLY CASH FLOWS		Budget Year 2013/14												Medium Term Revenue and Expenditure Framework		
R thousand	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16	
Cash Receipts By Source													¹			
Property rates												59 871	59 871	63 104	66 511	
Property rates - penalties & collection charges												-	-	-	-	
Service charges - electricity revenue												168 609	168 609	177 713	187 310	
Service charges - water revenue												23 549	23 549	24 821	26 161	
Service charges - sanitation revenue												22 606	22 606	23 827	25 114	
Service charges - refuse revenue												20 347	20 347	21 445	22 603	
Service charges - other												6 320	6 320	10 116	7 021	
Rental of facilities and equipment												1 985	1 985	2 091	2 204	
Interest earned - external investments												500	500	527	555	
Interest earned - outstanding debtors												10 373	10 373	10 933	11 523	
Dividends received												-	-	-	-	
Fines												990	990	1 044	1 100	
Licences and permits												2 410	2 410	2 540	2 677	
Agency services												4 844	4 844	5 105	5 381	
Transfer receipts - operational												114 617	114 617	119 796	123 309	
Other revenue												26 098	26 098	27 495	28 980	
Cash Receipts by Source	-	-	-	-	-	-	-	-	-	-	-	463 118	463 118	490 557	510 450	
Other Cash Flows by Source																
Transfer receipts - capital												98 940	98 940	107 815	133 745	
Contributions recognised - capital & Contributed assets												(6)	-	-	-	
Proceeds on disposal of PPE		6	-	-	-	-	-	-	-	-	-	1 500	2 000	2 000	-	
Short term loans		-	-	-	-	-	-	-	167	167	167	-	-	-	-	
Borrowing long term/refinancing																
Increase (decrease) in consumer deposits			275	-	452	518	-	-	63	63	63	(619)	814	879	-	
Decrease (Increase) in non-current debtors												-	-	-	-	
Decrease (increase) other non-current receivables												-	-	-	-	
Decrease (increase) in non-current investments												-	-	-	-	
Total Cash Receipts by Source	-	6	275	-	452	518	-	-	229	229	229	562 932	564 872	601 262	644 194	
Cash Payments by Type																
Employee related costs												143 264	143 264	151 995	160 393	
Remuneration of councillors												10 649	10 649	11 224	11 830	
Finance charges												15 158	15 158	15 977	16 839	
Bulk purchases - Electricity												139 103	139 103	146 615	154 532	
Bulk purchases - Water & Sewer												5 174	5 174	5 454	5 748	
Other materials												90	90	95	100	
Contracted services												29 088	29 088	29 605	31 204	
Transfers and grants - other municipalities												-	-	-	-	
Transfers and grants - other												63 972	63 972	65 906	69 406	
Other expenditure												406 498	406 498	426 870	450 051	
Cash Payments by Type	-	-	-	-	-	-	-	-	-	-	-	406 498	406 498	426 870	450 051	
Other Cash Flows/Payments by Type																
Capital assets									5 514	5 514	5 514	48 782	65 325	66 422	-	
Repayment of borrowing									267	267	267	587	3 462	3 739	-	
Other Cash Flows/Payments												-				
Total Cash Payments by Type	-	-	169	-	860	1 045	-	-	5 782	5 782	5 782	455 867	475 286	497 030	450 051	
NET INCREASE/(DECREASE) IN CASH HELD	-	6	106	-	(408)	(527)	-	-	(5 552)	(5 552)	(5 552)	107 065	89 586	104 221	194 143	
Cash/cash equivalents at the month/year begin:	-	-	6	112	112	(296)	(823)	(823)	(823)	(823)	(17 479)	89 586	-	89 586	193 807	
Cash/cash equivalents at the month/year end:	-	6	112	112	(296)	(823)	(823)	(823)	(6 375)	(11 927)	(17 479)	89 586	89 586	193 807	387 950	

MP302 Msukaligwa - NOT REQUIRED - municipality does not have entities

Description	Ref	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year + 2015/16
R million										
Financial Performance										
Property rates		37	42							
Service charges		126	154							
Investment revenue		1	1							
Transfers recognised - operational		109	121							
Other own revenue		32	21							
Contributions recognised - capital & contributed assets		-	-							
Total Revenue (excluding capital transfers and contributions)		304	340	-	-	-	-	-	-	-
Employee costs		92	103							
Remuneration of Board Members		7	8							
Depreciation & asset impairment		20	28							
Finance charges		1	1							
Materials and bulk purchases		67	92							
Transfers and grants		22	25							
Other expenditure		75	78							
Total Expenditure		283	334	-	-	-	-	-	-	-
Surplus/(Deficit)		21	6	-	-	-	-	-	-	-
Capital expenditure & funds sources										
Capital expenditure										
Transfers recognised - operational		682	84							
Public contributions & donations		-	-							
Borrowing		-	-							
Internally generated funds		-	-							
Total sources		682	84	-	-	-	-	-	-	-
Financial position										
Total current assets		79	109							
Total non current assets		245	250							
Total current liabilities		54	79							
Total non current liabilities		20	24							
Equity		-	-							
Cash flows										
Net cash from (used) operating		52	20							
Net cash from (used) investing		(48)	(33)							
Net cash from (used) financing		(2)	(2)							
Cash/cash equivalents at the year end		1	(14)							

MP302 Msukaligwa - Supporting Table SA32 List of external mechanisms

External mechanism	Yrs/ Mths	Period of agreement 1.	Service provided	Expiry date of service delivery agreement or contract	Monetary value of agreement 2.
Name of organisation		Number			R thousand

References

- 1. Total agreement period from commencement until end
- 2. Annual value

MP302 Msukaligwa - Supporting Table SA33 Contracts having future budgetary implications

Description	Ref	Preceding Years	Current Year 2012/13	2013/14 Medium Term Revenue & Expenditure Framework			Forecast 2016/17	Forecast 2017/18	Forecast 2018/19	Forecast 2019/20	Forecast 2020/21	Forecast 2021/22	Forecast 2022/23	Total Contract Value
				Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16								
R thousand	1,3	Total	Original Budget				Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate
Parent Municipality:	2	-	-	-	-	-	-	-	-	-	-	-	-	-
Revenue Obligation By Contract		-	-	-	-	-	-	-	-	-	-	-	-	-
Jan		-	-	-	-	-	-	-	-	-	-	-	-	-
Total Operating Revenue Implication	2	-	-	-	-	-	-	-	-	-	-	-	-	-
Expenditure Obligation By Contract		-	-	-	-	-	-	-	-	-	-	-	-	-
Total Operating Expenditure Implication		-	-	-	-	-	-	-	-	-	-	-	-	-
Capital Expenditure Obligation By Contract	2	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Capital Expenditure Implication		-	-	-	-	-	-	-	-	-	-	-	-	-
Total Parent Expenditure Implication		-	-	-	-	-	-	-	-	-	-	-	-	-
Entities:		-	-	-	-	-	-	-	-	-	-	-	-	-
Revenue Obligation By Contract	2	-	-	-	-	-	-	-	-	-	-	-	-	-
N/A		-	-	-	-	-	-	-	-	-	-	-	-	-
Total Operating Revenue Implication		-	-	-	-	-	-	-	-	-	-	-	-	-
Expenditure Obligation By Contract	2	-	-	-	-	-	-	-	-	-	-	-	-	-
N/A		-	-	-	-	-	-	-	-	-	-	-	-	-
Total Operating Expenditure Implication		-	-	-	-	-	-	-	-	-	-	-	-	-
Capital Expenditure Obligation By Contract	2	-	-	-	-	-	-	-	-	-	-	-	-	-
N/A		-	-	-	-	-	-	-	-	-	-	-	-	-
Total Capital Expenditure Implication		-	-	-	-	-	-	-	-	-	-	-	-	-
Total Entity Expenditure Implication		-	-	-	-	-	-	-	-	-	-	-	-	-

References

1. Total implication for all preceding years to be summed and total stated in 'Preceding Years' column
2. List all contracts with future financial obligations beyond the three years covered by the MTREF (MFMA s33)

MP302 Msukaligwa - Supporting Table SA34a Capital expenditure on new assets by asset class

Description	Ref	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
R thousand	1									
Capital expenditure on new assets by Asset Class/Sub-class										
Infrastructure		27 656	31 339	50 901	74 289	81 582	81 582	98 573	110 734	48 341
Infrastructure - Road transport		1 574	8 817	21 392	39 614	49 012	49 012	37 150	49 037	13 109
Roads, Pavements & Bridges		1 380	8 817	21 392	39 614	49 012	49 012	37 150	49 037	13 109
Storm water		194	-	-	-	-	-	-	-	-
Infrastructure - Electricity		4 361	3 933	8 324	20 390	18 570	18 570	10 100	7 370	5 555
Generation		-	-	-	-	-	-	-	-	-
Transmission & Reticulation		322	1 618	6 485	15 390	16 070	16 070	5 100	2 100	-
Street Lighting		4 039	2 316	1 839	5 000	2 500	2 500	5 000	5 270	5 555
Infrastructure - Water		12 781	9 958	16 040	14 265	12 000	12 000	38 518	36 655	24 678
Dams & Reservoirs		-	-	3 923	-	2 000	2 000	-	-	-
Water purification		5 655	5 726	3 131	-	-	-	4 018	4 007	7 676
Reticulation		7 125	4 231	8 986	14 265	10 000	10 000	34 500	32 648	17 003
Infrastructure - Sanitation		8 940	8 631	5 145	-	2 000	2 000	12 805	17 672	4 999
Reticulation		5 316	3 891	3 361	-	2 000	2 000	12 805	8 227	4 999
Sewerage purification		3 624	4 739	1 784	-	-	-	-	9 445	-
Infrastructure - Other		-	-	-	-	-	-	-	-	-
Waste Management		-	-	-	-	-	-	-	-	-
Transportation		-	-	-	-	-	-	-	-	-
Gas		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Community		4 062	2 248	148	-	-	-	-	-	-
Parks & gardens		-	-	-	-	-	-	-	-	-
Sportsfields & stadia		-	-	-	-	-	-	-	-	-
Swimming pools		-	-	-	-	-	-	-	-	-
Community halls		-	-	-	-	-	-	-	-	-
Libraries		-	-	-	-	-	-	-	-	-
Recreational facilities		-	-	-	-	-	-	-	-	-
Fire, safety & emergency		424	-	-	-	-	-	-	-	-
Security and policing		-	99	-	-	-	-	-	-	-
Buses		-	-	-	-	-	-	-	-	-
Clinics		-	-	-	-	-	-	-	-	-
Museums & Art Galleries		-	-	-	-	-	-	-	-	-
Cemeteries		2 552	1 940	151	-	-	-	-	-	-
Social rental housing		-	-	-	-	-	-	-	-	-
Other		1 086	210	(1)	-	-	-	-	-	-
Heritage assets		-	-	-	-	-	-	-	-	-
Buildings		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Housing development		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Other assets		4 378	7 535	5 490	4 000	2 794	2 794	2 400	3 952	4 000
General vehicles		1 451	5 354	3 892	2 000	2 000	2 000	2 000	2 000	2 000
Specialised vehicles		-	-	-	-	-	-	-	-	-
Plant & equipment		-	-	-	-	-	-	-	-	-
Computers - hardware/equipment		1 581	565	945	1 000	99	99	200	700	1 000
Furniture and other office equipment		375	992	19	-	170	170	-	-	-
Abattoirs		-	-	-	-	-	-	-	-	-
Markets		-	-	-	-	-	-	-	-	-
Civic Land and Buildings		-	-	-	-	-	-	-	-	-
Other Buildings		-	-	-	-	-	-	-	-	-
Other Land		-	-	475	500	-	-	-	552	-
Surplus Assets - (Investment or Inventory)		-	-	-	-	-	-	-	-	-
Other		971	624	158	500	525	525	200	700	1 000
Agricultural assets		-	-	-	-	-	-	-	-	-
Land		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Biological assets		-	-	-	-	-	-	-	-	-
Land		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Intangibles		-	-	-	-	-	-	-	-	-
Computers - software & programming		-	-	-	-	-	-	-	-	-
Total Capital Expenditure on new assets	1	38 096	41 122	56 540	78 289	84 376	84 376	100 973	114 686	52 341
Specialised vehicles		-	-	-	-	-	-	-	-	-
Refuse		-	-	-	-	-	-	-	-	-
Fire		-	-	-	-	-	-	-	-	-
Conservancy		-	-	-	-	-	-	-	-	-
Ambulances		-	-	-	-	-	-	-	-	-

References

1. Total Capital Expenditure on new assets (SA34a) plus Total Capital Expenditure on renewal of existing assets (SA34b) must reconcile to total capital expenditure in Budgeted Capital Expenditure
2. Airports, Car Parks, Bus Terminals and Taxi Ranks
3. For example - technology backbones (e.g. fibre optic, WIFI infrastructure) for economic development purposes
4. Work-in-progress/under construction to be budgeted under the respective item
5. Infrastructure includes 'land and buildings required' by that infrastructure and vehicles/plant & equipment used by the service generated by that infrastructure
6. Donated/contributed & leased assets to be included within the respective sub-class

MP302 Msukaligwa - Supporting Table SA34b Capital expenditure on the renewal of existing assets by asset class

[illegible]

Renewal of Existing Assets as % of total capex		3.6%	0.7%	5.4%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Renewal of Existing Assets as % of deprecn"		6.7%	1.0%	11.8%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

References

1. Total Capital Expenditure on renewal of existing assets (SA34b) plus Total Capital Expenditure on new assets (SA34a) must reconcile to total capital expenditure in Budgeted Capital Expenditure
2. Airports, Car Parks, Bus Terminals and Taxi Ranks
3. For example - technology backbones (e.g. fibre optic, WiFi infrastructure) for economic development purposes
4. Work-in-progress/under construction to be budgeted under the respective item
5. Infrastructure includes 'land and buildings required' by that infrastructure and vehicles/plant & equipment used by the service generated by that infrastructure
6. Donated/contributed & leased assets to be included within the respective sub-class
7. Busses used to provide a service to the community
8. Not municipal contributions to the 'top structure' being built using the housing subsidies
9. Statues, art collections, medals etc.
10. Ambulances, fire engines, refuse vehicles - but not vehicles that would normally be classified as 'Plant and equipment'

check balance	-343 868	-	-	-3 593 439	-3 593 439	-3 593 439	-3 858 150	-4 066 490	-4 286 081
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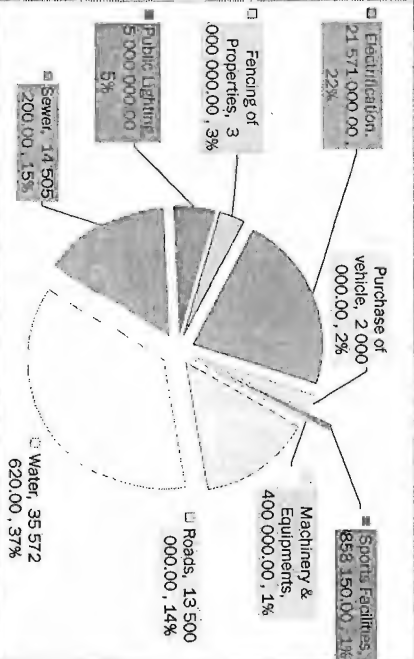
2013/2014 CAPITAL BUDGET PER SOURCE OF FUNDING

FUNDING FOR CAPITAL	AMOUNT (R)	%
MUNICIPAL INFRASTRUCTURE GRANT (MIG) (AS PER DORA)	R42,256,950	44.36%
GERT SIBANDE DISTRICT MUNICIPALITY (GSDM)	R 14,029,020	14.73%
MSUKALINGWA'S OWN FUNDS (Office and other Equipments)	R400,000	0.42%
INTEGRATED NATIONAL ELECTRIFICATION PROGRAMME GRANT (INEPG) (AS PER DORA)	R 21,571,000	22.65%
REGIONAL BULK	R15,000,000	15.75%
CAPITAL FROM EXTERNAL LOANS (Vehicles)	R 2,000,000	2.10%
TOTAL CAPITAL FOR 2013/2014	R95,256,970	100%

2013/2014 CAPITAL BUDGET PER SERVICE

FUNDING FOR CAPITAL	AMOUNT (R)	%
ROADS	R 13,500,000	14.00 %
WATER	R 35,572,620	36.90 %
SEWER	R 14,505,200	15.05%
PUBLIC LIGHTING	R5,000,000	5.19%
FENCING	R 3,000,000	3.11%
ELECTRICITY	R 21,571,000	22.37%
PURCHASE OF VEHICLES	R 2,000,000	2.07%
SPORTS FACILITIES	R 858,150	0.89%
MACHINERY AND OFFICE EQUIPMENT	R 400,000	0.41 %
TOTAL CAPITAL FOR 2013/2014	R 96,406,970	100%

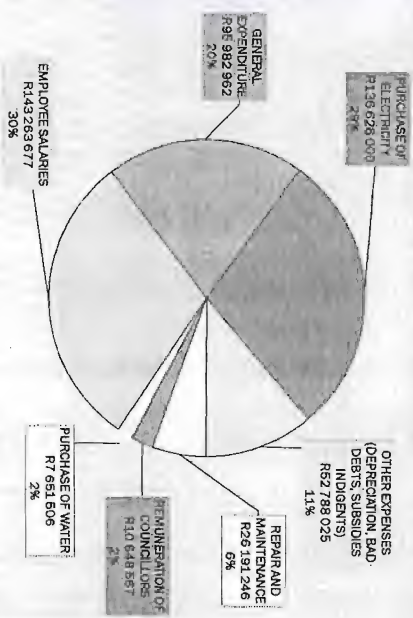
2013/2014 CAPITAL BUDGET PER SERVICE



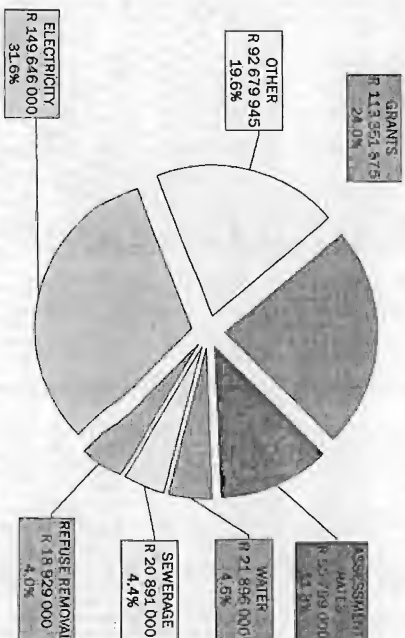
2013/2014 DRAFT EXPENDITURE BUDGET

EXPENDITURE	BUDGET 2012/2013	% INCREASE	DRAFT BUDGET 2013/2014	% OF TOTAL
EMPLOYEE COST	R 122,443,312		R 143,263,677	30.0%
COUNCILLORS COST	R 9,681,625		R 10,648,567	2.0%
GENERAL EXPENDITURE	R 83,527,968		R 95,952,962	20.0%
PURCHASE OF ELECTRICITY	R 134,726,426		R 136,626,000	29.0%
PURCHASE OF WATER	R 1,900,000		R 7,651,506	2.0%
REPAIR & MAINTENANCE	R 20,003,519		R 26,191,246	6.0%
OTHER EXPENDITURE (Depreciation, Bad Debts, Subsidy Indigents)	R 49,721,415		R 52,788,025	11.0%
TOTALS	R422,002,265		R473,151,983	100%

2013/2014 DRAFT EXPENDITURE BUDGET



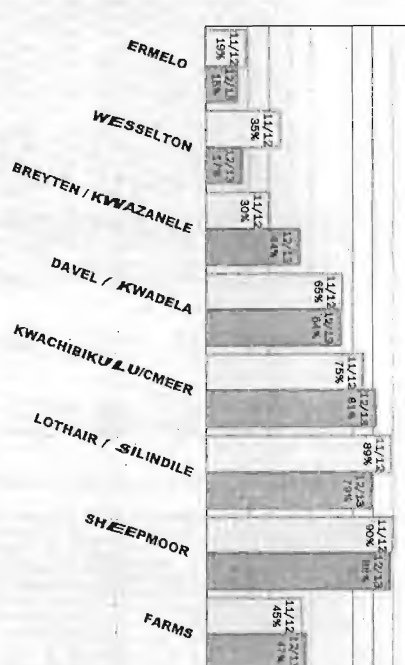
2013/2014 DRAFT INCOME BUDGET

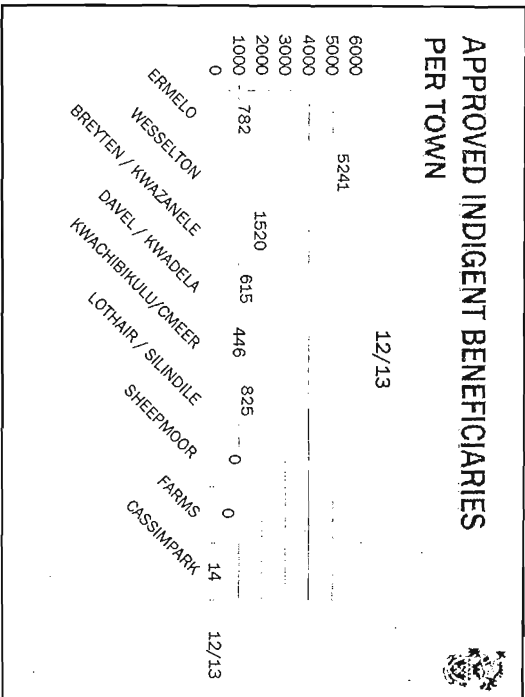


2013/2014 DRAFT INCOME BUDGET

INCOME	BUDGET 2012/2013	% INCRE	DRAFT BUDGET 2013/2014	% OF TOTAL
ASSESSMENT	R 51,379,000	8.6%	R 55,799,000	11.8%
RATES				
REFUSE REMOVAL	R 16,163,000	17.11%	R 18,929,000	4.0%
ELECTRICITY	R117,676,000	27.17%	R149,646,000	31.6%
WATER	R 18,229,000	20.12%	R 21,896,000	4.6%
SEWERAGE	R 17,367,000	20.29%	R 20,891,000	4.4%
GRANTS & SUBSIDIES	R 109,421,026	3.59%	R 113,351,875	24.0%
OTHER INCOME	R 91,783,710	0.98%	R 92,679,945	27.9%
TOTAL INCOME	R 422,018,736		R 473,192,820	100%
TOTAL EXPENDITURE	R 422,002,265		R 473,151,983	
SURPLUS	R 16,471		R 40,837	

NON-PAYMENTS PER TOWN





REVIEWED FINANCIAL POLICIES

The following policies were reviewed and will be implemented from July 2013:

- Credit control & Debt Collection policy
- Pauper and Indigent Burials Policy
- Free Basic and Indigent Management Policy
- Property rates Policy
- Asset Management Policy
- Investment of surplus funds policy

PROPOSED TARIFFS INCREASE

FREE BASIC SERVICES: Provision were made to subsidise 11 200 indigents for the total amount of R 17,853,096.

To keep the service delivery at the same level council need to increase tariffs in line with the AVERAGE COST INCREASES (CPI-X) and to accommodate the increases as prescribed by NERSA on electricity.

When determining the tariffs, the following was taken into account:

- Cost of bulk purchases for water and electricity
- Distribution costs
- Depreciation losses for water and electricity
- Maintenance of infrastructure and other fixed assets

TARIFF INCREASES: Taken into account for the draft budget as from 1 July 2013 are proposed as follows:

- Electricity tariffs based on 8% from Eskom, to be approved by NERSA
- Water tariffs with 10%
- Sewerage tariffs with 10%
- Refuse removal with 10%
- Assessment rates by 6%

SALARY INCREASES of 6.3% were provided for in the draft budget according to an agreement

REVIEWED FINANCIAL POLICIES (CONTINUED)

- Supply chain management policy
- Tariffs policy
- Petty cash policy
- Developed Policies
- Enterprise Risk Management Policy
- Fraud Prevention Plan
- Insurance Policy
- Anti-Corruption Strategy

SMALL CONSUMERS ACCOUNT

SERVICE	PRESENT ACCOUNT (R)	NEW ACCOUNT (R)	INCREASE AMOUNT (R)	INCREASE %
ELECTRICITY (Maximum 20 Amps) (Pre-paid 50 Units)	R 37.93	R 42.10	R 4.17	11.0%
WATER (Maximum 6 Kiloliters) (First 6 Kiloliters for FREE) only for indigents	R 0.00	R 0.00	R 0.00	0%
REFUSE (Residential Basic)	R 58.30	R 62.96	R 4.66	8%
SEWERAGE (Residential Basic)	R 59.86	R 64.65	R 4.79	8%
Assessment Rates (Residential) (Value = R30,000)	R 10.04	R 10.60	R 0.56	5.6%
TOTAL ACCOUNT	R 166.13	R 180.31	R 14.18	5.92%

The indigents will be subsidised on the amount of this account

FINANCIAL RECOVERY PLAN

Municipality has financial challenges due to high level of non payment and illegal connections and this resulted in the development of a Financial Recovery Plan. Short, medium and long term strategies were developed to address the issues identified in the situational analysis

MEDIUM CONSUMERS ACCOUNT

SERVICE	PRESENT ACCOUNT (R)	NEW ACCOUNT (R)	INCREASE AMOUNT (R)	INCREASE %
ELECTRICITY (More than 20 Amps) (Pre-paid 600 Units)	R 703.19	R 780.54	R 77.35	11.0%
WATER (Maximum 12 Kiloliters) (First 6 Kiloliters for FREE)	R 41.33	R 44.64	R 3.31	8%
REFUSE (Residential Basic)	R 58.30	R 62.96	R 4.66	8%
SEWERAGE (Residential Basic)	R 59.86	R 64.65	R 4.79	8%
Assessment Rates (Residential) (Value R 450,000)	R 199.66	R 210.84	R 11.18	5.6%
TOTAL ACCOUNT	R 1062.34	R 1163.63	R 101.29	16.09%

FINANCIAL RECOVERY PLAN STRATEGIES

Strategy One: Restructure the Budget
Strategy Two: Revise Tariff Policies and Tariff Increases
Strategy Three: Revenue Enhancement
Strategy Four: Financial Administration
Strategy Five: Cash Management Strategy
Strategy Six: Human Resource Management
NB: elaborative information on plan is available for inspection at municipal offices and website

THANK YOU



EXECUTIVE MAYOR CLLR. J.S. BONGWE
OTHER COUNCILLORS AND OFFICIALS

THANK YOU FOR YOUR PARTICIPATION

Contact no. for Msukaligwa LM
017 801 3400
017 801 3500
WWW.MSUKALIGWA.GOV.ZA




COMMUNITY BUDGET CONSULTATION
2013/2014

Project Name: **COMMUNITY BUDGET CONSULTATION MEETING 1314**
 Presenter Name: **EXECUTIVE MAYOR CLLR. JS. BONGWE**

SUMMARY OF BUDGET	
TOTAL OPERATING REVENUE:	R473,192,820
TOTAL CAPITAL REVENUE:	R 96,406,970
TOTAL REVENUE:	R569,599,790
TOTAL OPERATING EXPENDITURE:	R473,151,983
TOTAL CAPITAL EXPENDITURE:	R 96,406,970
TOTAL EXPENDITURE:	R569,558,953
REVENUE - EXPENDITURE:	R 40,837
SURPLUS OF R40,837.00	

AGENDA FOR THE MEETING



- * **Opening**
- * **Welcome and Introduction**
- * **Purpose of the meeting**
- * **Presentation of draft budget**
- * **Comments from community**
- * **The way forward**
- * **Closure**

SUMMARY OF BUDGET	
LIABILITIES	
LOAN: R 5 000 000 - FOR REVENUE ENHANCEMENT	
LOAN: R 2 000 000 - VEHICLE PURCHASES	
OVERDRAFT: R6 000 000	

2013/2014 CAPITAL BUDGET PER SOURCE OF FUNDING

FUNDING FOR CAPITAL	AMOUNT (R)	%
MUNICIPAL INFRASTRUCTURE GRANT (MIG) (AS PER DORA)	R42,256,950	44.36%
GERT SIBABE DISTRICT MUNICIPALITY (GSDM), MSUKALIGWAS OWN FUNDS (Office and other Equipments)	R 14,029,020	14.73%
INTEGRATED NATIONAL ELECTRIFICATION PROGRAMME GRANT (INEPG) (AS PER DORA)	R 21,571,000	22.65%
REGIONAL BULK	R15,000,000	15.75%
CAPITAL FROM EXTERNAL LOANS (Vehicles)	R 2,000,000	2.10%
TOTAL CAPITAL FOR 2013/2014	R95,256,970	100%

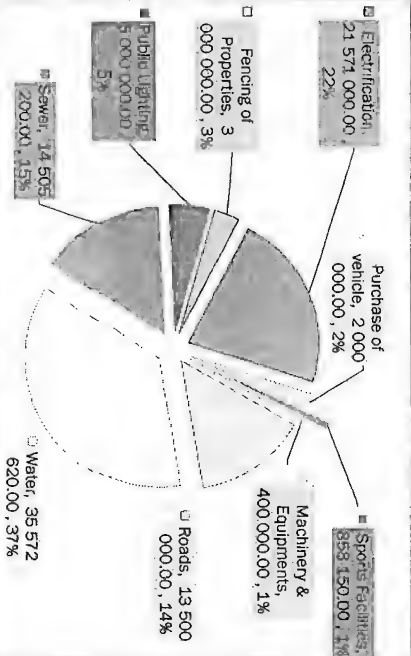


2013/2014 CAPITAL BUDGET PER SERVICE

FUNDING FOR CAPITAL	AMOUNT (R)	%
ROADS	R 13,500,000	14.00%
WATER	R 35,572,620	36.90%
SEWER	R 14,505,200	15.05%
PUBLIC LIGHTING	R5,000,000	5.19%
FENCING	R 3,000,000	3.11%
ELECTRICITY	R 21,571,000	22.37%
PURCHASE OF VEHICLES	R 2,000,000	2.07%
SPORTS FACILITIES	R 858,150	0.89%
MACHINERY AND OFFICE EQUIPMENT	R 400,000	0.41%
TOTAL CAPITAL FOR 2013/2014	R 96,406,970	100%



2013/2014 CAPITAL BUDGET PER SERVICE

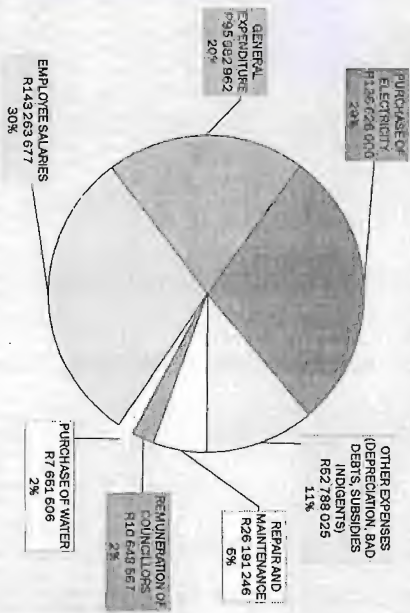


2013/2014 DRAFT EXPENDITURE BUDGET

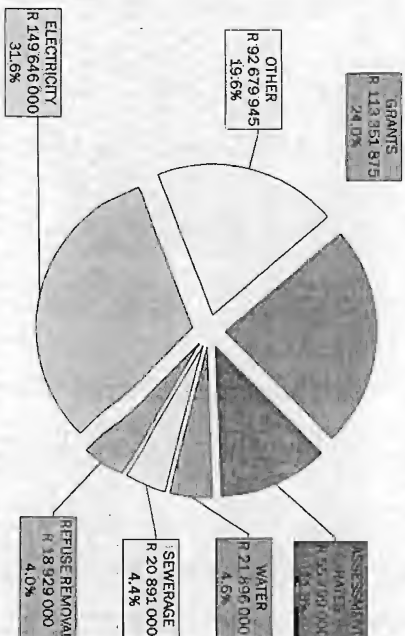
EXPENDITURE	BUDGET 2012/2013	% INCREASE	DRAFT BUDGET 2013/2014	% OF TOTAL
EMPLOYEE COST	R 122,443,312		R 143,263,677	30.0%
COUNCILLORS COST	R 9,681,625		R 10,648,567	2.0%
GENERAL EXPENDITURE	R 83,527,968		R 95,952,962	20.0%
PURCHASE OF ELECTRICITY	R 134,726,426		R 136,626,000	29.0%
PURCHASE OF WATER	R 1,900,000		R 7,651,506	2.0%
REPAIR & MAINTENANCE	R 20,001,519		R 26,191,246	6.0%
OTHER EXPENDITURE (Depreciation, Bad Debts, Subsidy Indigents)	R 49,721,415		R 52,788,025	11.0%
TOTALS	R422,002,265		R473,151,983	100%



2013/2014 DRAFT EXPENDITURE BUDGET



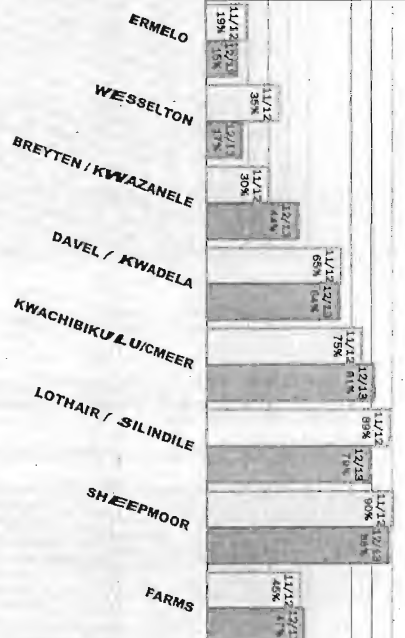
2013/2014 DRAFT INCOME BUDGET

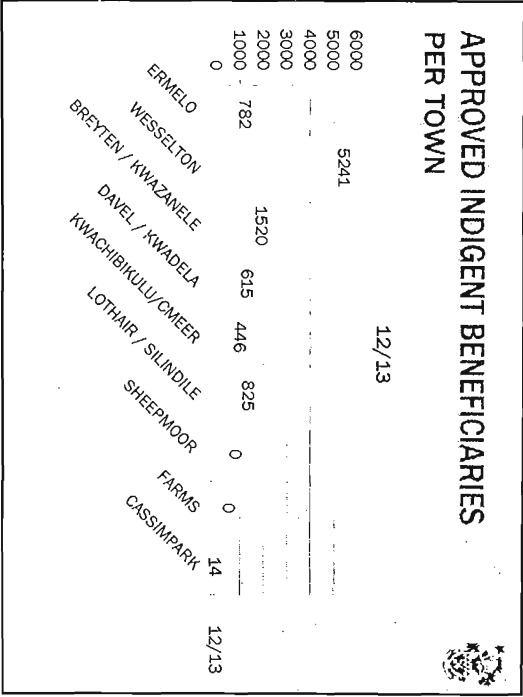


2013/2014 DRAFT INCOME BUDGET

INCOME	BUDGET 2012/2013	% INCREASE	DRAFT BUDGET 2013/2014	% OF TOTAL
ASSESSMENT RATES	R 51,379,000	8.6%	R 55,799,000	11.8%
REFUSE REMOVAL	R 16,163,000	17.11%	R 18,929,000	4.0%
ELECTRICITY	R 117,676,000	27.17%	R 149,646,000	31.6%
WATER	R 18,229,000	20.12%	R 21,896,000	4.6%
SEWERAGE	R 17,367,000	20.29%	R 20,891,000	4.4%
GRANTS & SUBSIDIES	R 109,421,026	3.59%	R 113,351,875	24.0%
OTHER INCOME	R 91,783,710	0.98%	R 92,679,945	27.9%
TOTAL INCOME	R 422,018,736		R 473,192,820	100%
TOTAL EXPENDITURE	R 422,002,265		R 473,151,983	
SURPLUS	R 16,471		R 40,837	

NON-PAYMENTS PER TOWN





REVIEWED FINANCIAL POLICIES

The following policies were reviewed and will be implemented from July 2013:

- Credit control & Debt Collection policy
- Pauper and Indigent Burials Policy
- Free Basic and Indigent Management Policy
- Property rates Policy
- Asset Management Policy
- Investment of surplus funds policy

PROPOSED TARIFFS INCREASE

FREE BASIC SERVICES: Provision were made to subsidise 11 200 indigents for the total amount of R 17 853 696.

To keep the service delivery at the same level council need to increase tariffs in line with the AVERAGE COST INCREASES (CPI-X) and to accommodate the increases as prescribed by NERSA on electricity.

When determining the tariffs, the following was taken into account:

- Cost of bulk purchases for water and electricity
- Distribution costs
- Distribution losses for water and electricity
- Depreciation expenses
- Maintenance of infrastructure and other fixed assets

TARIFF INCREASES: taken into account for the draft budget as from 1 July 2013 are proposed as follows:

- Electricity tariffs based on 8% from Eskom, to be approved by NERSA
- Water tariffs: with 10%
- Sewerage tariffs with 10%
- Reduce removal with 10%
- Assessment rates 5.6%

SANABY INCREASE of 10.3% was provided for in the draft budget according to an agreement

REVIEWED FINANCIAL POLICIES (CONTINUED)

- Supply chain management policy
- Tariffs policy
- Petty cash policy
- Developed Policies
- Enterprise Risk Management Policy
- Fraud Prevention Plan
- Insurance Policy
- Anti-Corruption Strategy

SMALL CONSUMERS ACCOUNT

SERVICE	PRESENT ACCOUNT (R)	NEW ACCOUNT (R)	INCREASE AMOUNT (R)	INCREASE %
ELECTRICITY (Maximum 20 Amps) (Pre-paid 50 Units)	R 37.93	R 42.10	R 4.17	11.0%
WATER (Maximum 6 Kiloliters) (First 6 Kiloliters for FREE) only for indigents	R 0.00	R 0.00	R 0.00	0%
REFUSE (Residential Basic)	R 58.30	R 62.96	R 4.66	8%
SEWERAGE (Residential Basic)	R 59.86	R 64.65	R 4.79	8%
Assessment Rates (Residential) (Value = R30,000)	R 10.04	R 10.60	R 0.56	5.6%
TOTAL ACCOUNT	R 166.13	R 180.31	R 14.18	5.92%

The indigents will be subsidised on the amount of this account

FINANCIAL RECOVERY PLAN

Municipality has financial challenges due to high level of non payment and illegal connections and this resulted in the development of a Financial Recovery Plan. Short, medium and long term strategies were developed to address the issues identified in the situational analysis

MEDIUM CONSUMERS ACCOUNT

SERVICE	PRESENT ACCOUNT (R)	NEW ACCOUNT (R)	INCREASE AMOUNT (R)	INCREASE %
ELECTRICITY (More than 20 Amps) (Pre-paid 600 Units)	R 703.19	R 780.54	R 77.35	11.0%
WATER (Maximum 12 Kiloliters) (First 6 Kiloliters for FREE)	R 41.33	R 44.64	R 3.31	8%
REFUSE (Residential Basic)	R 58.30	R 62.96	R 4.66	8%
SEWERAGE (Residential Basic)	R 59.86	R 64.65	R 4.79	8%
Assessment Rates (Residential) (Value R 450,000)	R 199.66	R 210.84	R 11.18	5.6%
TOTAL ACCOUNT	R 1062.34	R 1163.63	R 101.29	16.09%

FINANCIAL RECOVERY PLAN STRATEGIES

- Strategy One: Restructure the Budget
 - Strategy Two: Revise Tariff Policies and Tariff Increases
 - Strategy Three: Revenue Enhancement
 - Strategy Four: Financial Administration
 - Strategy Five: Cash Management Strategy
 - Strategy Six: Human Resource Management
- NB: elaborative information on plan is available for inspection at municipal offices and website

THANK YOU



EXECUTIVE MAYOR CLLR. J.S. BONGWE

OTHER COUNCILLORS AND OFFICIALS

THANK YOU FOR YOUR PARTICIPATION

Contact no. for Msukaligwa LM

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COMMUNITY BUDGET CONSULTATION
2013/2014

Project Name: COMMUNITY BUDGET CONSULTATION MEETING 1314
Presenter Name: EXECUTIVE MAYOR CLLR. JS. BONGWE



AGENDA FOR THE MEETING

- **Opening**
- **Welcome and Introduction**
- **Purpose of the meeting**
- **Presentation of draft budget**
- **Comments from community**
- **The way forward**
- **Closure**

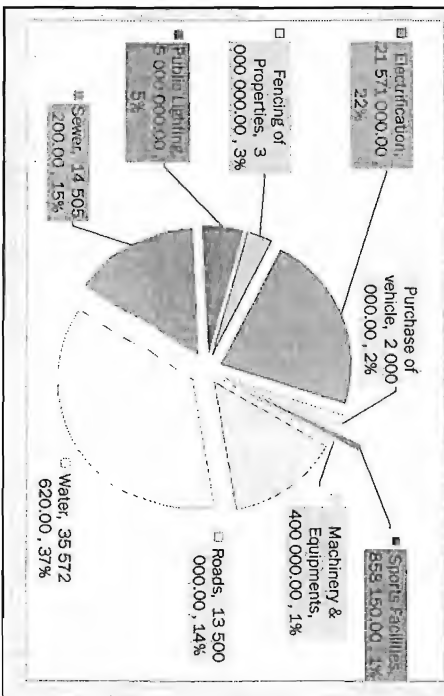
SUMMARY OF BUDGET	
TOTAL OPERATING REVENUE:	R473,192,820
TOTAL CAPITAL REVENUE:	R 96,406,970
TOTAL REVENUE:	R569,599,790
TOTAL OPERATING EXPENDITURE:	R473,151,983
TOTAL CAPITAL EXPENDITURE:	R 96,406,970
TOTAL EXPENDITURE:	R569,558,953
REVENUE - EXPENDITURE:	R 40,837
SURPLUS OF R40,837.00	

SUMMARY OF BUDGET	
LIABILITIES	
LOAN: R 5 000 000 - FOR REVENUE ENHANCEMENT	
LOAN: R 2 000 000 - VEHICLE PURCHASES	
OVERDRAFT: R6 000 000	

2013/2014 CAPITAL BUDGET PER SOURCE OF FUNDING

FUNDING FOR CAPITAL	AMOUNT (R)	%
MUNICIPAL INFRASTRUCTURE GRANT (MIG) (AS PER DORA)	R42,256,950	44.36%
GERT SIBANDE DISTRICT MUNICIPALITY (GSDM)	R 14,029,020	14.73%
MSUKALIGWA'S OWN FUNDS (Office and other Equipments)	R400,000	0.42%
INTEGRATED NATIONAL ELECTRIFICATION PROGRAMME GRANT (INEPG) (AS PER DORA)	R 21,571,000	22.65%
REGIONAL BULK	R15,000,000	15.75%
CAPITAL FROM EXTERNAL LOANS (Vehicles)	R 2,000,000	2.10%
TOTAL CAPITAL FOR 2013/2014	R85,256,970	100%

2013/2014 CAPITAL BUDGET PER SERVICE



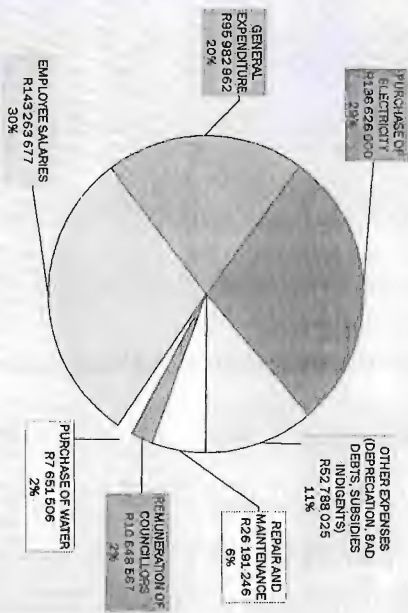
2013/2014 CAPITAL BUDGET PER SERVICE

FUNDING FOR CAPITAL	AMOUNT (R)	%
ROADS	R 13,500,000	14.00%
WATER	R 35,572,620	36.90%
SEWER	R 14,505,200	15.05%
PUBLIC LIGHTING	R5,000,000	5.19%
FENCING	R 3,000,000	3.11%
ELECTRICITY	R 21,571,000	22.37%
PURCHASE OF VEHICLES	R 2,000,000	2.07%
SPORTS FACILITIES	R 858,150	0.89%
MACHINERY AND OFFICE EQUIPMENT	R 400,000	0.41%
TOTAL CAPITAL FOR 2013/2014	R 96,406,970	100%

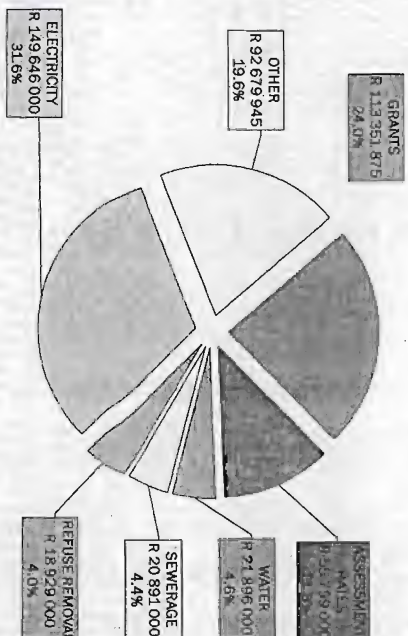
2013/2014 DRAFT EXPENDITURE BUDGET

EXPENDITURE	BUDGET 2012/2013	% INCREASE	DRAFT BUDGET 2013/2014	% OF TOTAL
EMPLOYEE COST	R 122,443,312		R 143,263,677	30.0%
COUNCILLORS COST	R 9,681,625		R 10,648,567	2.0%
GENERAL EXPENDITURE	R 83,527,968		R 95,952,962	20.0%
PURCHASE OF ELECTRICITY	R 134,726,426		R 136,626,000	29.0%
PURCHASE OF WATER	R 1,900,000		R 7,651,506	2.0%
REPAIR & MAINTENANCE	R 20,001,519		R 26,191,246	6.0%
OTHER EXPENDITURE (Depreciation, Bad Debts, Subsidy Indigents)	R 49,721,415		R 52,788,025	11.0%
TOTALS	R422,002,265		R473,151,983	100%

2013/2014 DRAFT EXPENDITURE BUDGET



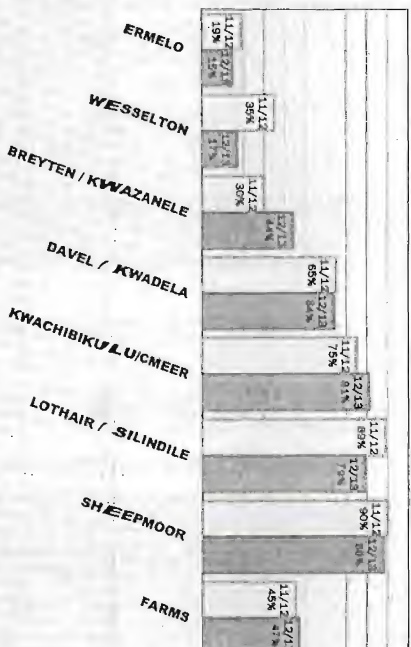
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GRANTS & SUBSIDIES	R 109,421,026	3.59%	R 113,351,875	24.0%
OTHER INCOME	R 91,783,710	0.98%	R 92,679,945	27.9%
TOTAL INCOME	R 422,018,736		R 473,192,820	100%
TOTAL EXPENDITURE	R 422,002,265		R 473,151,983	
SURPLUS	R 16,471		R 40,837	

NON-PAYMENTS PER TOWN



APPROVED INDIGENT BENEFICIARIES PER TOWN



	12/13
6000	
5000	5241
4000	
3000	
2000	
1000	
0	
ERMelo	
WESSELTON	
BREYTON / KWAZANELE	
DAVEL / KWADELA	
KWACHIBIKULU/OMEER	
LOTHAIR / SILINDILE	
SHEEPMOOR	
FARMS	
CASSIMPARK	
	12/13

REVIEWED FINANCIAL POLICIES

The following policies were reviewed and will be implemented from July 2013:

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PROPOSED TARIFFS INCREASE



- ✓ FREE BASIC SERVICES: Provision were made to subsidise 11 200 indigents for the total amount of R 17,853,896.
- ✓ To keep the service delivery at the same level council need to increase tariffs in line with the AVERAGE COST INCREASES (CPIX) and to accommodate the increases as prescribed by NERSA on electricity.
- ✓ When determining the tariffs, the following was taken into account:
 - ✓ Cost of bulk purchases for water and electricity
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- ✓ TARIFF INCREASES: Taken into account for the draft budget as from 1 July 2013 are proposed as follows:
 - ✓ Electricity tariffs based on 8% from Eskom, to be approved by NERSA
 - ✓ Water tariffs with 10%
 - ✓ Sewerage tariffs with 10%
 - ✓ Refuse removal with 10%
 - ✓ Assessment rates 5.6%
- ✓ SA ARL INCREASED to 3.2% was provided for in the draft budget in accordance to an agreement

REVIEWED FINANCIAL POLICIES (CONTINUED)

Supply chain management policy
 Tariffs policy
 Petty cash policy
 Developed Policies
 Enterprise Risk Management Policy
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 Insurance Policy
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SMALL CONSUMERS ACCOUNT

SERVICE	PRESENT ACCOUNT (R)	NEW ACCOUNT (R)	INCREASE AMOUNT (R)	INCREASE %
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TOTAL ACCOUNT	R 1062.34	R 1163.63	R 101.29	16.09%

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- Strategy One: Restructure the Budget
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COMMUNITY BUDGET CONSULTATION 2013/2014

Project Name: COMMUNITY BUDGET CONSULTATION MEETING 1314
Presenter Name: EXECUTIVE MAYOR CLLR. JS. BONGWE

AGENDA FOR THE MEETING



- Opening
- Welcome and Introduction
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SUMMARY OF BUDGET

TOTAL OPERATING REVENUE:	R473,192,820
TOTAL CAPITAL REVENUE:	R 96,406,970
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REVENUE - EXPENDITURE:	R 40,837
SURPLUS OF R40,837.00	

SUMMARY OF BUDGET

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OVERDRAFT: R6 000 000

2013/2014 CAPITAL BUDGET PER SOURCE OF FUNDING



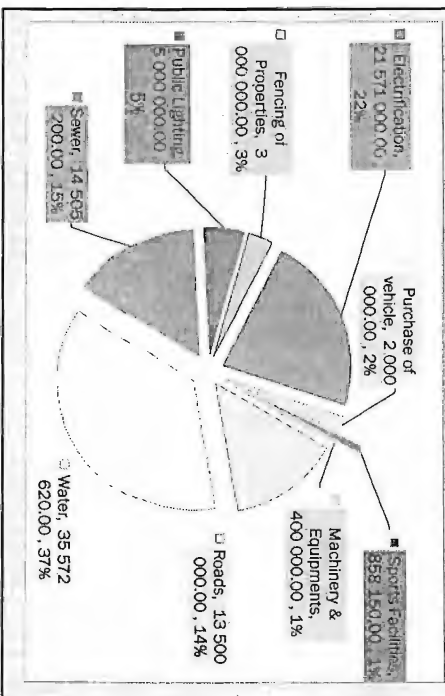
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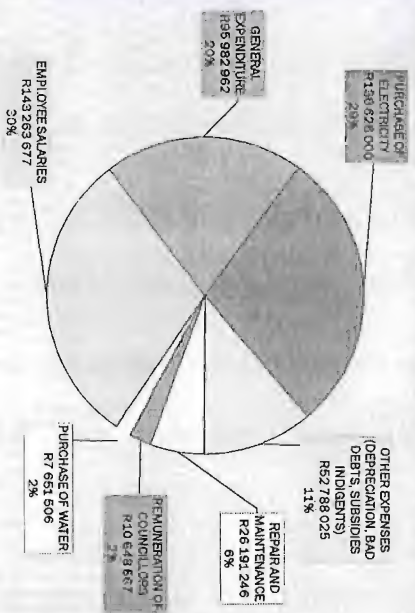


2013/2014 DRAFT EXPENDITURE BUDGET

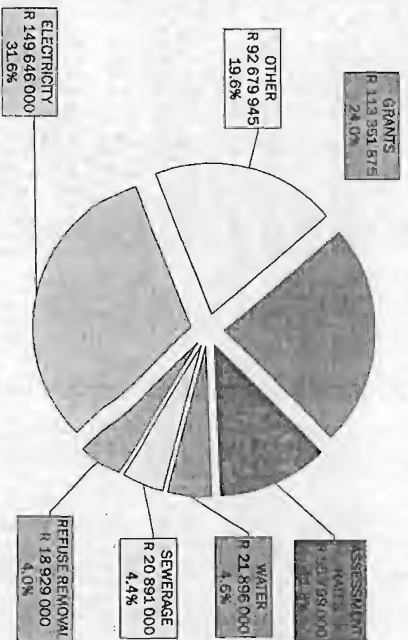


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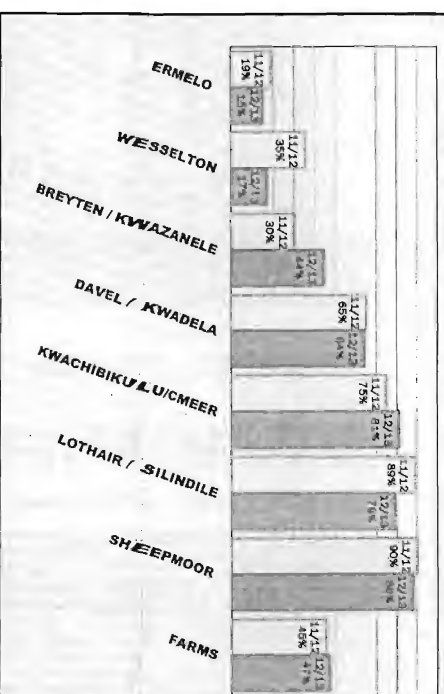
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SURPLUS	R 16,471		R 40,837	

NON-PAYMENTS PER TOWN



APPROVED INDIGENT BENEFICIARIES PER TOWN



	12/13
6000	
5000	5241
4000	
3000	
2000	
1000	
0	
ERMelo	
WESSELTON	
BREYEN / KWAZANELE	
DAVEL / KWADELA	
KWACHIBIKULU/CMEER	
LOTHAR / SILINDILE	
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COMMUNITY BUDGET CONSULTATION
2013/2014

Project Name: COMMUNITY BUDGET CONSULTATION MEETING 1314
Presenter Name: EXECUTIVE MAYOR CLLR. JS. BONGWE



AGENDA FOR THE MEETING

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TOTAL CAPITAL REVENUE:	R 96,406,970
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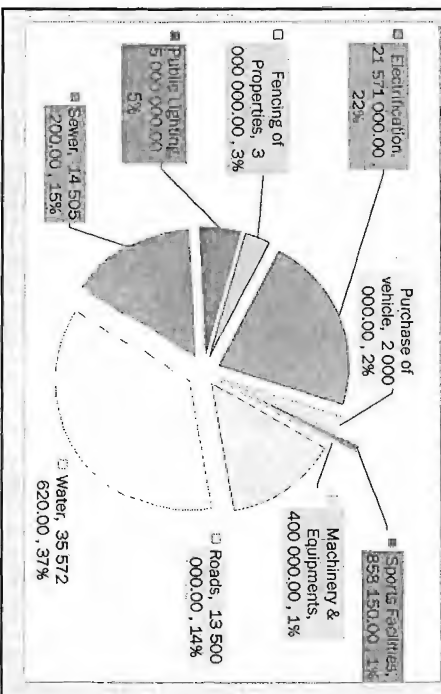
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LOAN: R 5 000 000 - FOR REVENUE ENHANCEMENT	
LOAN: R 2 000 000 - VEHICLE PURCHASES	
OVERDRAFT: R6 000 000	

2013/2014 CAPITAL BUDGET PER SOURCE OF FUNDING



FUNDING FOR CAPITAL	AMOUNT (R)	%
MUNICIPAL INFRASTRUCTURE GRANT (MIG) (AS PER DORA)	R42,256,950	44.36%
GERT SIBANE DISTRICT MUNICIPALITY (GSDM)	R 14,029,020	14.73%
MSUKALUWAS OWN FUNDS (Office and other Equipments)	R400,000	0.42%
INTEGRATED NATIONAL ELECTRIFICATION PROGRAMME: GRANT (INEPG) (AS PER DORA)	R 21,571,000	22.66%
REGIONAL BULK	R15,000,000	15.75%
CAPITAL FROM EXTERNAL LOANS (Vehicles)	R 2,000,000	2.10%
TOTAL CAPITAL FOR 2013/2014	R95,256,970	100%

2013/2014 CAPITAL BUDGET PER SERVICE



2013/2014 CAPITAL BUDGET PER SERVICE



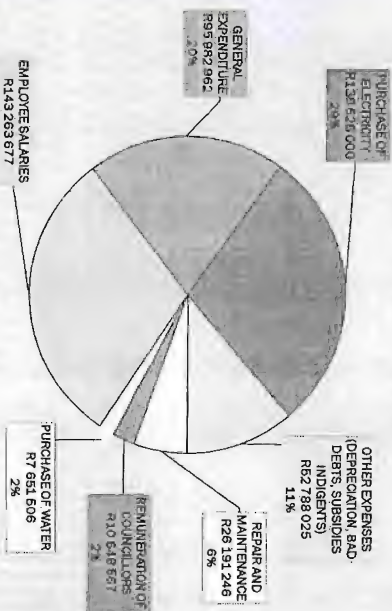
FUNDING FOR CAPITAL	AMOUNT (R)	%
ROADS	R 13,500,000	14.00 %
WATER	R 35,572,620	36.90 %
SEWER	R 14,505,200	15.05 %
PUBLIC LIGHTING	R5,000,000	5.19 %
FENCING	R 3,000,000	3.11 %
ELECTRICITY	R 21,571,000	22.37 %
PURCHASE OF VEHICLES	R 2,000,000	2.07 %
SPORTS FACILITIES	R 858,150	0.89 %
MACHINERY AND OFFICE EQUIPMENT	R 400,000	0.41 %
TOTAL CAPITAL FOR 2013/2014	R 96,406,970	100%

2013/2014 DRAFT EXPENDITURE BUDGET

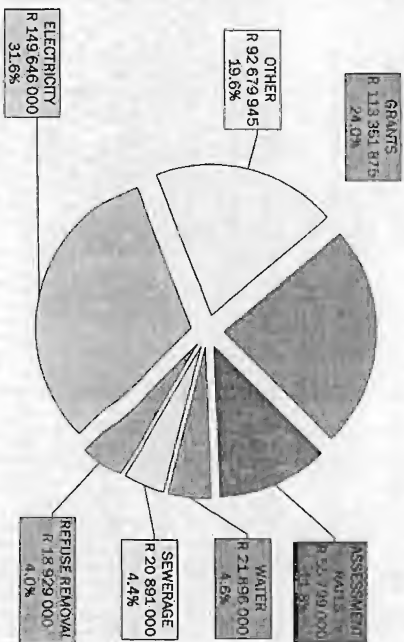


EXPENDITURE	BUDGET 2012/2013	% INCREASE	DRAFT BUDGET 2013/2014	% OF TOTAL
EMPLOYEE COST	R 122,443,312		R 143,263,677	30.0%
COUNCILLORS COST	R 9,681,625		R 10,648,567	2.0%
GENERAL EXPENDITURE	R 83,527,968		R 95,952,962	20.0%
PURCHASE OF ELECTRICITY	R 134,726,426		R 136,626,000	29.0%
PURCHASE OF WATER	R 1,900,000		R 7,651,506	2.0%
REPAIR & MAINTENANCE	R 20,001,519		R 26,191,246	6.0%
OTHER EXPENDITURE (Depreciation, Bad Debts, Subsidy, Indigents)	R 49,721,415		R 52,788,025	11.0%
TOTALS	R422,002,265		R473,151,983	100%

2013/2014 DRAFT EXPENDITURE BUDGET



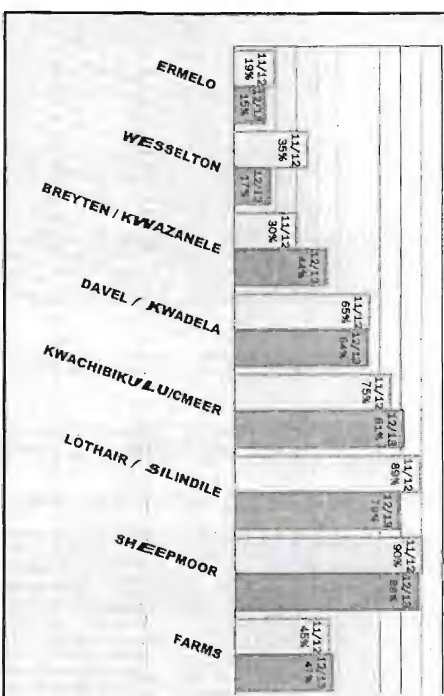
2013/2014 DRAFT INCOME BUDGET

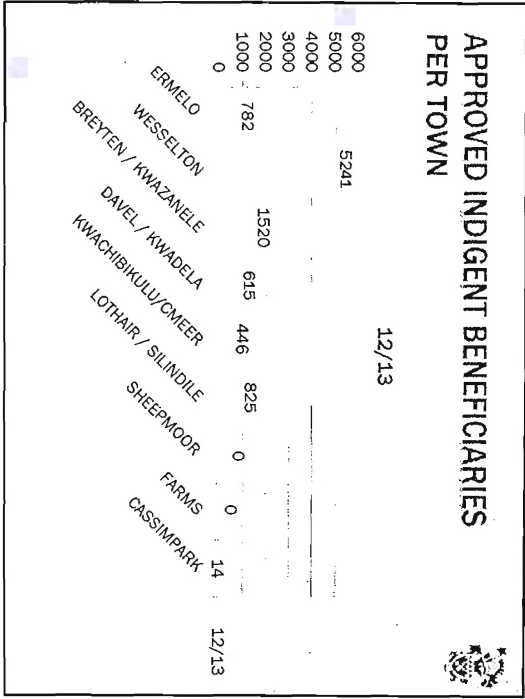


2013/2014 DRAFT INCOME BUDGET

INCOME	BUDGET 2012/2013	% INCRE ASE	DRAFT BUDGET 2013/2014	% OF TOTAL
RATES	R 51,379,000	8.6%	R 55,799,000	11.8%
REFUSE REMOVAL	R 16,163,000	17.11%	R 18,929,000	4.0%
ELECTRICITY	R117 676,000	27.17%	R 149,646,000	31.6%
WATER	R 18,229,000	20.12%	R 21,896,000	4.6%
SEWERAGE	R 17,367,000	20.29%	R 20,891,000	4.4%
GRANTS & SUBSIDIES	R 109,421,026	3.59%	R 113,351,875	24.0%
OTHER INCOME	R 91,783,710	0.98%	R 92,679,945	27.9%
TOTAL INCOME	R 422,018,736		R 473,192,820	100%
TOTAL EXPENDITURE	R 422,002,265		R 473,151,983	
SURPLUS	R 16,471		R 40,837	

NON-PAYMENTS PER TOWN





REVIEWED FINANCIAL POLICIES

The following policies were reviewed and will be implemented from July 2013:

- Credit control & Debt Collection policy
- Pauper and Indigent Burials Policy
- Free Basic and Indigent Management Policy
- Property rates Policy
- Asset Management Policy
- Investment of surplus funds policy

PROPOSED TARIFFS INCREASE

FREE BASIC SERVICES: Provision were made to subsidise 11,200 indigents for the total amount of R 17,853,696.

To keep the service delivery at the same level council need to increase tariffs in line with the AVERAGE COST INCREASES (CPI) and to accommodate the increases as prescribed by NERSA on electricity.

When determining the tariffs, the following was taken into account:

- Cost of bulk purchases for water and electricity
- Distribution costs
- Degradation expenses
- Maintenance of infrastructure and other fixed assets

TARIFF INCREASES: Taken into account for the draft budget as from 1 July 2013 are proposed as follows:

- Electricity tariffs based on 8% from Eskom, to be approved by NERSA
- Water tariffs with 10%
- Sewerage tariffs with 10%
- Refuse removal with 10%
- Assessment rates 5.6%

SALARY INCREASES: R 3.2% was provided for in the draft budget in regard to 2013/2014.

REVIEWED FINANCIAL POLICIES (CONTINUED)

- Supply chain management policy
- Tariffs policy
- Petty cash policy
- Developed Policies
- Enterprise Risk Management Policy
- Fraud Prevention Plan
- Insurance Policy
- Anti-Corruption Strategy

SMALL CONSUMERS ACCOUNT



SERVICE	PRESENT ACCOUNT (R)	NEW ACCOUNT (R)	INCREASE AMOUNT (R)	INCREASE %
ELECTRICITY (Maximum 20 Amps) (Pre-paid 50 Units)	R 37.93	R 42.10	R 4.17	11.0%
WATER (Maximum 6 Kiloliters) (First 6 Kiloliters for FREE) only for indigents	R 0.00	R 0.00	R 0.00	0%
REFUSE (Residential Basic)	R 58.30	R 62.96	R 4.66	8%
SEWERAGE (Residential Basic)	R 59.86	R 64.65	R 4.79	8%
Assessment Rates (Residential) (Value = R30,000)	R 10.04	R 10.60	R 0.56	5.6%
TOTAL ACCOUNT	R 166.13	R 180.31	R 14.18	5.92%

The indigents will be subsidised on the amount of this account

FINANCIAL RECOVERY PLAN

Municipality has financial challenges due to high level of non payment and illegal connections and this resulted in the development of a Financial Recovery Plan. Short, medium and long term strategies were developed to address the issues identified in the situational analysis

MEDIUM CONSUMERS ACCOUNT



SERVICE	PRESENT ACCOUNT (R)	NEW ACCOUNT (R)	INCREASE AMOUNT (R)	INCREASE %
ELECTRICITY (More than 20 Amps) (Pre-paid 600 Units)	R 703.19	R 780.54	R 77.35	11.0%
WATER (Maximum 12 Kiloliters) (First 6 Kiloliters for FREE)	R 41.33	R 44.64	R 3.31	8%
REFUSE (Residential Basic)	R 58.30	R 62.96	R 4.66	8%
SEWERAGE (Residential Basic)	R 59.86	R 64.65	R 4.79	8%
Assessment Rates (Residential) (Value R 450,000)	R 139.66	R 210.84	R 11.18	5.6%
TOTAL ACCOUNT	R 1062.34	R 1163.63	R 101.29	16.09%

FINANCIAL RECOVERY PLAN STRATEGIES

- * Strategy One: Restructure the Budget
 - * Strategy Two: Revise Tariff Policies and Tariff Increases
 - * Strategy Three: Revenue Enhancement
 - * Strategy Four: Financial Administration
 - * Strategy Five: Cash Management Strategy
 - * Strategy Six: Human Resource Management
- * NB: elaborative information on plan is available for inspection at municipal offices and website





MSUKALIGWA MUNICIPALITY
COMMUNITY BUDGET CONSULTATION
2013/2014

Project Name: **COMMUNITY BUDGET CONSULTATION MEETING 1314**
 Presenter Name: **EXECUTIVE MAYOR CLLR. JS. BONGWE**

AGENDA FOR THE MEETING



- * **Opening**
- * **Welcome and Introduction**
- * **Purpose of the meeting**
- * **Presentation of draft budget**
- * **Comments from community**
- * **The way forward**
- * **Closure**

SUMMARY OF BUDGET

TOTAL OPERATING REVENUE:	R473,192,820
TOTAL CAPITAL REVENUE:	R 96,406,970
TOTAL REVENUE:	R569,599,790
TOTAL OPERATING EXPENDITURE:	R473,151,983
TOTAL CAPITAL EXPENDITURE:	R 96,406,970
TOTAL EXPENDITURE:	R569,558,953
REVENUE - EXPENDITURE:	R 40,837
SURPLUS OF R40,837.00	

SUMMARY OF BUDGET

LIABILITIES
LOAN: R 5 000 000 - FOR REVENUE ENHANCEMENT
LOAN: R 2 000 000 - VEHICLE PURCHASES
OVERDRAFT: R6 000 000